

The **NATIONAL UNDERWRITER**



MICHIGAN AND OHIO AGENTS CONVENTIONS

THURSDAY, SEPTEMBER 12, 1946



American Business Goes Overseas!

One way to assure increased premium earnings for your agency is to keep pace with business expansion not only in volume but in geographical scope as well!

Today the ingenuity and resourcefulness of American business is turning to the problem of revitalizing world industry, commerce and trade. This means vast construction of American-owned plants with raw materials and finished products flowing into foreign lands. In all such expansion, the financial protection of sound American insurance is, and must be, a vital necessity. Here then is your command-

ing opportunity for new premium income—right now!

The American Foreign Insurance Association, comprising 22 outstanding American insurance companies, offers 28 years of experience—world-wide facilities—offices in principal cities—all types of coverage—up-to-date knowledge of foreign conditions, insurance laws and currency.

Contact the business concerns in your community now! Many of them may be planning to enter foreign markets. Then write to American Foreign Insurance Association for full information on all specific risks!



AMERICAN FOREIGN INSURANCE ASSOCIATION

80 MAIDEN LANE • NEW YORK 7, NEW YORK

COMPLETE INSURANCE COVERAGE IN FOREIGN LANDS

What changes a few years can bring!



When things become scarcer, their value usually increases.

That is exactly what is happening today as regards housing. Regardless of how old your home is, it is probably worth considerably more than a few years ago. And that suggests a very important step: *Increase your fire insurance to present day values.*

Consider what can happen if you neglect this precaution. If you are carrying only \$10,000 protection on a house now worth \$15,000—and it is destroyed by fire—you would suffer a loss of \$5,000.

Why not discuss this with your local insurance agent or broker this week? The Aetna Insurance Group sells through such representatives so that you can obtain such expert advice promptly and easily. If additional protection appears advisable, it can be arranged in a few minutes and at small cost.

It is also worth remembering that when your insurance is with a capital stock company such as those comprising the Aetna Insurance Group, it is backed by *both* a paid-in capital and surplus. You are never liable for assessment.

MEMO

TO BROKERS AND AGENTS

No insurance need of the day is more urgent than that of carrying insurance to value. Aetna national advertising is focusing public attention on this subject in a unique and forceful way. This advertisement appears—in color—in the September 9th issue of *Time*, the weekly news magazine—Oct. 7th issue of *Newsweek*—and the Sept. 20th issue of *United States News*. The Aetna Insurance Group, W. Ross McCain, President.

DON'T GUESS ABOUT INSURANCE—CONSULT YOUR LOCAL AGENT OR BROKER



Aetna Insurance Group

HARTFORD, CONNECTICUT

AETNA INSURANCE CO. • THE WORLD FIRE & MARINE INSURANCE CO. • THE CENTURY INDEMNITY CO.
PIEDMONT FIRE INSURANCE CO. • STANDARD INSURANCE CO. OF N. Y. • STANDARD SURETY & CASUALTY CO. OF N. Y.



CRUM & FORSTER

MANAGERS

110 WILLIAM STREET • NEW YORK, N. Y.

UNITED STATES FIRE INSURANCE CO.

Organized 1824

RICHMOND INSURANCE CO.

Organized 1836

THE NORTH RIVER INSURANCE CO.

Organized 1822

WESTERN ASSURANCE CO., U. S. Branch

Incorporated 1851

WESTCHESTER FIRE INSURANCE CO.

Organized 1837

BRITISH AMERICA ASSURANCE CO., U. S. Branch

Incorporated 1833

THE ALLEMANNIA FIRE INSURANCE CO. of Pittsburgh

Organized 1868

SOUTHERN FIRE INSURANCE CO., Durham, N. C.

Incorporated 1923

WESTERN DEPT., FREEPORT, ILL. • PACIFIC DEPT., SAN FRANCISCO • SOUTHERN DEPT., ATLANTA • ALLEGHENY DEPT., PITTSBURGH • CAROLINAS DEPT., DURHAM, N. C.



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Stock Fire Groups Plan to Abandon Nation-wide Rating

**Bureaus Will Make
All Rates, E. L. Williams
Tells N.A.I.C. Committees**

The National Assn. of Insurance
commissioners subcommittee on exam-



C. A. Gough

ination of rating
bureaus at its hear-
ing in Syracuse
was told of the In-
surance Executives
Assn.'s plan for
transferring the
rating functions of
various stock fire
associations, such
as the Factory In-
surance Assn. and
the Interstate Un-
derwriters Board,
to the rating bu-
reaus covering the
individual states.

The hearing was enlivened by the
remark of Superintendent Dineen of New
York, in connection with the vital im-
portance of competent examinations for
rating organizations, that he was serv-
ing notice that he was not going to ac-
cept any examination report "written by
robots." Mr. Dineen recalled a company
examination in which one of the exam-
iners' main qualification was that he was
a jeweler and another in which certain
of the examiners devoted most of their
remarks to making their race-track specu-
lations and in the afternoons were too
busy checking up on the results of their
wagers to give much attention to the exam-
ination.

Wants No "Gold Bricks"

Suggesting that no "gold bricks" be
sent out on examinations, Mr. Dineen
said that if the federal government was
going to be satisfied with the states' regu-
lation of these "trusts"—as the rating
bureaus would be regarded—the exam-
iners must know what they are doing.

"If we are going to wind up with
examiners making examinations this thing
is going to be a dud," he warned.

The subcommittee, consisting of
C. A. Gough of New Jersey, chairman, Forbes
of Michigan and Thompson of Oregon,
heard from President E. L. Williams of
the Insurance Executives Assn. the
stock fire companies' proposal for elimi-
nating the rating functions from various
organizations. Therefore it would
not be necessary to examine these or-
ganizations on their rating procedures,
but that would be taken care of in exam-
ining the state rating bureaus. It would
only be necessary to examine the or-
ganizations to see that they had applied
correctly the rates supplied them by the
state rating bureaus.

Days Examinations Should Be Joint

Mr. Williams offered to make avail-
able the best men in the business to help
the committee get the best examiners
for rating bureau examinations. He said
each state individually examines rat-
ing bureaus the burden would be de-
structively onerous. Examinations con-

Timetable for N. A. I. A. 50th Anniversary Rally

An address by C. T. Burg of Cleve-
land, general sales manager of Iron
Fireman Manufacturing Co. on Thurs-
day morning, Sept. 26 and an open
forum on state rate regulatory legisla-
tion Monday evening, Sept. 23 com-
plete the program for the fiftieth anni-
versary convention of National Assn. of
Insurance Agents at Denver, Sept.
22-26.

Mr. Burg is a well known apostle of
showmanship in selling. His talk is en-
titled "The Three Bogeysmen."

The legislation programs will be the
subject of an open forum discussion at
a state association officers' and state
legislative committees' conference.
Charles F. Liscomb, Duluth, past
N.A.I.A. president and a member of its
legislative advisory committee, will be
the chairman.

Preceding the opening of the general
convention, the executive committee
will meet Sept. 18-19 at the Brown Pal-
ace Hotel. The National Board of State
Directors will hold a two-day session
beginning Friday, Sept. 20, in the Cos-
mopolitan Hotel.

The completed convention program
follows:

Sunday, Sept. 22

9:30 a. m.—Open conference on branch
offices with Gustave R. Michelson, New
York, chairman branch office committee,
presiding.

2 p. m.—Concert in the Park of the
Red Rocks featuring Josephine Antoine
and the 75 piece Denver Civic Symphony
Orchestra. Courtesy U. S. F. & G.

Monday, Sept. 23

8:30 a. m.—Breakfast meeting of edu-
cational committee and state associa-
tion secretaries and managers.

10 a. m.—Territorial conferences.

10 a. m.—Annual convention of Colo-
rado Assn. of Insurance Agents.

2 p. m.—Opening general session in
Shirley-Savoy Hotel. President Hunter
Brown presiding. After the invocation
by Rev. Allan K. Williams, pastor Park
Hill Methodist Church, Denver, greet-
ings from Denver will be extended by
L. Allen Beck, president Denver associa-
tion. Report of the administration by
President Brown will then be presented
followed by addresses by William K.
Jackson, Boston, president U. S. Chamber
of Commerce; Charles M. Cartwright,
editor of THE NATIONAL UNDERWRITER;
and Walter H. Bennett, general counsel
N.A.I.A. A special membership session
will then be held for consideration of
constitutional amendments.

8 p. m.—State association officers' and
state legislative committees' conference
on all-industry rate regulatory bills and

ducted by an organization representing
all the states would tend to preserve
state regulation, he said.

Mr. Williams said that with uniform
classification and uniform rating proce-
dure each state can compare its experi-
ence with that of others.

NON-MEMBERS

Harrington of Massachusetts pointed
out that there still would remain the
problem of examining the companies,
numbering probably several hundred or
more, that would not join rating organi-
zations. He thought there should be one
kind of examination for companies be-
longing to rating organizations and an-
other for those not members.

In this connection Mr. Dineen re-
marked that the more competition there
is on a price basis—assuming safeguards
against insolvency—the less supervision
is necessary, as competition keeps the
rates from becoming excessive.

William Leslie, general manager National
Bureau of Casualty & Surety Un-
derwriters, made the point that the ex-
amination of a rating bureau should not
take the form of second-guessing. He
said the examination should not concern

state legislative programs, Charles F.
Liscomb presiding.

Tuesday, Sept. 24

9:30 a. m.—"Public Relations in Ac-
tion Forum" in the Shirley-Savoy fea-
turing fire and accident prevention and
education. Principal speakers: J. W.
Stevens, San Francisco, assistant man-
ager, National Board, and W. Earl Hall,
Mason City, Ia., chairman national com-
mittee for traffic safety. An educational
skit "Paving the Road Toward Pre-
miums" will conclude the forum. Harold
W. McGee, Los Angeles, chairman public
relations advisory committee, will be
the moderator.

12—State and local association officers
luncheon conference in Cosmopolitan
Hotel. Subject: Agents Qualification
Laws. Luke J. Kavanaugh, insurance
commissioner of Colorado, will speak
following which an open discussion will
be held conducted by Herman C. Wolff,
Indianapolis, chairman agents qualifi-
cation committee. Will M. Keller, Pale-
stine, president Texas Assn. of Insurance
Agents, will preside.

2:30 p. m.—Adjustment panel in Shir-
ley-Savoy with H. N. Fullington, Wich-
ita, presiding. Speakers: Philip M. Win-
chester, New York, general manager
eastern department F.C.A.B.; Clarence
R. Conklin, Chicago, Heineke & Conklin;
A. C. Welsh, San Francisco, supervising
adjuster Travelers.

5:30 p. m.—Cocktail hour courtesy
America Fore in Cosmopolitan Hotel.

8:30 p. m.—Dance at the Shirley-Savoy.

Wednesday, Sept. 25

9:30 a. m.—"Let's Build America!" a
construction and insurance panel, pre-
sided over by H. F. Warner, Kansas
City, chairman fidelity & surety com-
mittee in Shirley-Savoy. Participants:
W. H. Klinger, Sioux City, Ia., past
president Associated General Contrac-
tors; W. C. Daniels, Denver, special
agent America Fore; Paul A. Dow, Kan-
sas City manager Hartford Accident;
Urban Lehl, secretary Phoenix of Hart-
ford, Chicago.

12—Buffet luncheon and executive ses-
sion of National Board of State Direc-
tors for the nomination of officers and
consideration of resolutions.

2 p. m.—Departure for rodeo and bar-
becue at Willow Spring Ranch.

Thursday, Sept. 26

9:30 a. m.—Closing general session
with President Brown presiding. Pro-
gram includes award of oil painting of
"The Covered Wagon" by Springfield F.
& M.; resolutions; presentation of
awards; following which addresses will
be given by Donald C. Bowersock, presi-
dent Boston and Old Colony, and C. T.
Burg, Cleveland, general sales manager
Iron Fireman Manufacturing Co. Elec-
tion and installation of officers will be
conducted with Payne H. Midyette, Tal-
lahassee, past N.A.I.A. president install-
ing officer and Commissioner Kavanaugh,
delivering the oath of office.

2 p. m.—Golf tournament at Cherry
Hills Club.

itself with seeing how the rates jibed
with the subsequent actual experience
but should be confined to determining
the accuracy of the data on which the
filings were based and the correctness
of the procedure used in converting the
data into rate filings.

Mr. Leslie said the New York depart-
ment had done some second-guess type
of analysis of the National Bureau's ex-
perience. Joseph Collins, chief of the
department's rating bureau, denied this
and agreed it was not the proper func-
tion of a rating bureau examination.

Mr. Leslie agreed with the proposition
that a rating bureau examination should
not only check the accuracy of rate fil-
ings but should indicate whether bureaus
were failing to promulgate new rates de-
spite favorable experience that would in-
dicate a reduction.

Form Held Important

John R. Dumont, manager of the
I.U.B., pointed out that the form is as
important as the rate itself and in many
states the form is subject to approval
along with the rate. He said this places
examiners of such states who criticize
these forms in the position of criticizing
their own departments. He considered
this a somewhat incongruous situation.

(CONTINUED ON PAGE 23)

W.U.A. in Old Time Form at Asheville Gathering

**Semi-Annual Convention
Is Enjoyable and
Constructive Occasion**

By C. M. CARTWRIGHT

ASHEVILLE, N. C.—The Western
Underwriters Assn. returned to old time
form at its semi-annual meeting here
so far as general procedure was con-
cerned. It was its first post war con-
ference. The members, according to
long custom, sandwiched business with
golf and thus experienced some whole-
some recreation.

The special cars from Chicago and
New York arrived Saturday morning.
The golfers got a flying start in the
afternoon.

The officers and governing committee
members met in the afternoon and con-
cluded the session about 5 o'clock. Then
all hands had Sunday and Monday for



C. W. Ohlsen



C. F. Thomas

various forms of recreation. The busi-
ness sessions started Tuesday morning
with President C. W. Ohlsen, Sun, in the
chair. The meeting closed in time
Wednesday to get afternoon trains for
home.

Last Asheville Trip in 1932

The W. U. A. people enjoy Ashe-
ville. Their last official visit here was
in 1932 when Geo. H. Bell, National
Fire, was president and John F. Staf-
ford, Sun, chairman of governing com-
mittee.

A number of men were accompanied
by their wives, who added a touch of
gayety, sparkle and color to the occa-
sion especially in the evening.

Action in Committees

It was decided to abolish the uniform
forms committee which functioned in
unison with Western Insurance Bureau.
Hereafter W. U. A. will have its own
forms committee of which M. E. Peter-
son, Springfield F. & M., is chairman.
It will hereafter make its own studies
and recommendations.

The Rocky Mountain supervisory
committee which with the Pacific Board
had jurisdiction over Rocky Mountain
territory, is abolished. The two organi-
zations appointed the committee mem-
bers. It will now be a separate entity
and the members will fill future vacan-
cies.

The report of Secretary C. F. Thomas
showed: Active members, 231; honor-
ary members, 34; companies, 265. New
members elected at this meeting were:
T. W. Fletcher, U. S. manager Scottish

(CONTINUED ON PAGE 14)

Robinson-Patman Report Adopted by All-Industry Group

Reply to Sen. McCarran Also Agreed on at Syracuse Meeting

Unanimous adoption of the subcommittee report on the Robinson-Patman act marked the meeting of the all-industry committee in Syracuse. The committee also approved a draft of a letter to be sent to Senator McCarran of Nevada, chairman of the judiciary committee, detailing the progress that has been made in bringing about appropriate regulatory action in the various states during the moratorium granted by Public Law 15. Senator McCarran had written various organizations asking for such a report.

The subcommittees dealing with the federal trade commission, Clayton, and Robinson-Patman acts were directed to confer with representatives of the National Assn. of Insurance Commissioners and will report back to the all-industry committee afterward.

Robinson-Patman Report

Reporting as chairman of the Robinson-Patman subcommittee, John McFall, U. S. F. & G., said that while there is still some question as to the applicability of the Robinson-Patman act it is the committee's opinion that insurance cannot afford to proceed on the assumption that the act is inapplicable and run the risk of federal penalties, including action by the federal trade commission, suits for treble damages and in some cases criminal prosecution.

The main problem appears to be payment of commissions to brokers in those states which do not specifically authorize them. For example, in Arizona, brokers are defined by statute and are licensed but the law does not authorize the insurer to pay commissions to brokers. From the committee's preliminary examination it believes that legislation (in many cases simply an additional provision authorizing payment of commissions) is required in Arizona, Idaho, Indiana, Louisiana, Maine, Massachusetts, Missouri, Nebraska, New Hampshire, Oregon, Pennsylvania, Rhode Island, Tennessee, Utah, Vermont, Washington, West Virginia, Wyoming, Alaska, and Puerto Rico.

ANTI-REBATE QUESTION

In Florida, Georgia, Hawaii, Iowa, Kansas, Kentucky, Michigan, Minnesota, Montana, North Dakota, Oklahoma, South Dakota, Texas and Wisconsin brokers are not recognized. In Alabama, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Illinois, Maryland, Mississippi, New Mexico, New York, Nevada, New Jersey, North Carolina, Ohio, South Carolina and Virginia brokers are recognized but statutes enacted are believed to be sufficiently definite to authorize the payment of commissions to the kinds of brokers recognized.

The committee took the view that in those states where the model rating laws are enacted the provision that "rates shall not be excessive, inadequate, or unfairly discriminatory" and the anti-rebate section attached to the rating bills are sufficient to take care of the anti-discrimination and anti-rebate sections of the Robinson-Patman act.

In the absence of a rating law containing these provisions, the committee recommended independent anti-discrimi-

Stock Market Break Blurs '46 Prospects

The decline in stock market prices and its effect on the portfolios of insurance companies, particularly fire carriers, will simply aggravate the problem of making a good showing at the end of the year in the annual statements. Fire company officials are not inclined to evaluate the effect at the present time because this is by no means the end of the year and a great many things can happen in the stock market by that time.

With increasing loss ratios, the fire companies for a year or more have faced the problem of arresting the downward trend in rates and in getting increases in rates where justified. The District of Columbia case is a part of the first step. As time goes on, the indications are that efforts will be made to bring rates into line realistically with present experience.

Desire to Be Fair

The commissioners generally show a disposition to be fair, but at the same time they are, of course, always conscious of the political situation. The desire to keep rates as low as they can runs contrary to the need for the companies to get adequate rates. Yet many commissioners realize that they can be criticized for permitting inadequate rates to continue as well as for allowing rates to be too high.

The increase in business in the past six months, most of it to cover increased values, has been so substantial as to surprise even company officials. This has created more of a problem as to free surplus than the climbing loss ratio, some observers comment. It is difficult to determine just how this increase in business will affect loss ratios, but it is certainly going to make it difficult for the companies to show a lot of surplus at the end of the year.

Rate changes are based on long term experience. A trend has to make itself pretty sharply felt before it is reflected substantially in a three to five year showing.

It certainly appears that the long time trend of decreasing rates in the fire business has come to an end, and must move in the other direction.

nation and anti-rebate statutes as suggested in the model rating bills for each kind of insurance unregulated as to rates. Such independent anti-discrimination and anti-rebate statutes would have to contain necessary exceptions as suggested in the model bills.

The all-industry committee authorized the conference committee to designate representatives of the committee to attend the meeting Sept. 25-6 of the joint interim committee on insurance regulation of the California legislature, which had requested that the committee be represented. The conference committee was authorized to take similar action with respect to the Maine legislative hearings Sept. 18-19 and any other similar hearings.

The committee referred to the Sherman act subcommittee memorandum submitted by E. W. Sawyer on behalf of the National Association of Insurance Brokers and the National Association of Casualty & Surety Agents of which he is counsel, recommending "minimum" rate regulatory bills providing for less detailed regulation than the fire and casualty model rating bills.

Joseph F. Follman, manager of the Bureau of Personal Accident & Health Underwriters, and Cecil C. Fraizer, counsel of the Health & Accident Underwriters Conference, requested that consideration be given by the all-industry committee to the status of accident and health insurance as affected by P. L. 15.

The conference committee announced (CONTINUED ON PAGE 31)

Wyoming Agents Elect Albert Tweed as President

Albert Tweed of Casper was elected president of the Wyoming Assn. of Insurance Agents, succeeding C. W. Brock of Casper, at the annual meeting at Casper. The other officers for the coming year are Clarence Brock of Casper, vice president; Hugh Dougherty of Douglas, chairman of the executive committee; James Hawkins of Casper, secretary-treasurer; and C. V. Davis of Sheridan, state director.

The association adopted the National Assn. of Insurance Agents' resolution regarding production branch offices. There were 60 registrations and 80 attended the banquet.

State Director C. V. Davis of Sheridan made his report and in discussing the history of the model rating bills evolved by the insurance commissioners and the insurance industry stated that the N.A.I.A. national state directors all favor passage of the bills. He mentioned the possibility that countersignature commissions would be discussed at the approaching National Association convention in Denver this month.

Urges Organized Effort

H. F. Farnsworth of Riverton in his talk on "Why the Association" said that this is the day for organized effort in all fields and that the Wyoming association has throughout its existence been a factor for good on legislation which might be detrimental to the insuring public and the agents. He urged that the incoming officers make a determined campaign to increase the membership of the association, saying it is worth more to any agent than it costs him.

D. A. Stone, assistant manager of National Surety, speaking on present trends in casualty insurance, said that even though casualty at present is the giant of the insurance business it has not yet anywhere near reached its peak. He predicted a tremendous increase in casualty premium volume, barring war or some other unforeseen development. He warned, however, that the business will go to those agents who maintain a real service organization and are able to specialize in these lines to give the insured the protection and opportunities of all the improved coverage now available, plus the improvements being made and that will be made in the future. Coupled with this, however, is the ever-present and at this particular time, serious necessity of correcting the unfavorable loss ratio if the business is to forge ahead and be a profitable one for both agents and companies.

Discussing comprehensive and all-risks policies, Mr. Stone said that the day of going in and taking any order for coverage on a specific hazard is over and the agent who continues to operate that way will gradually lose out.

Strictly a Service Business

"Ours now is a strictly service business," he declared. "We must sell the best contracts we have in our kits and offer the best and most complete coverage we have available. It may cost the client a little more but if we explain the advantages we will get the proposal over. The trend in underwriting and production is toward better service. The days of getting a piece of business out of a friendship or out of a golf game are past to a great extent. The substantial insurance clients are not going to split their insurance business any more than they would split their legal business. They are going to place the business where they will get the best service and the best protection for the premium dollar."

Mr. Stone also mentioned the trend toward multiple-line underwriting and urged agents to sell comprehensive and all risks policies so they will be pre-

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N.A.I.C. Committee Named to Evolve Central Office Plan

Steering Group Asks Complete Proposal for Submission in December

By ROBERT B. MITCHELL

Besides naming Parkinson of Illinois as secretary-treasurer and appointing Dressel of Ohio to succeed him on the executive committee, as reported in last week's issue, the National Assn. of Insurance Commissioners executive committee at its meeting in Syracuse appointed a committee to work out a complete plan for a central office for the N.A.I.C. and present it at the December meeting.

The committee consists of Forbes of Michigan, chairman, and Garrison of California and Harrington of Massachusetts. Its task includes determining the best location for a central office.



Walter Dressel



N. P. Parkinson

the method of financing it, and the type of personnel that would be needed to operate it. While it is evident that the central office idea is generally favored, the only difference of opinion being as to its scope, the sentiment is to start on a modest basis and later expand, if this proves desirable, rather than starting off on a grand scale.

Might Use Valuation Staff

One thought is that the N.A.I.C. already has a valuation committee with office space and a full-time staff and possibly this might serve as a nucleus around which to build the proposed central office. While the valuation committee office, which operates with a \$22,000 annual budget, is located in New York City, this doesn't mean that New York would have to be the location of the central office, as there is no controlling reason why the work of the valuation committee staff has to be done in New York City.

The central office committee will have the benefit of suggestions from the N.A.I.C. members and plans to make a very thorough survey before bringing in its recommendations. The committee was made small so as to permit meetings to be held without undue difficulty.

May Break Precedent

The possibility that the N.A.I.C.'s time-honored custom of having the secretary act as chairman of the committee on examinations may be discontinued loomed up in the announcement by Dineen of New York, that he proposed to exercise his constitutional prerogative as president to appoint the chairman of the committee on examinations regardless of the resolution adopted at the Louisville convention in 1921 declaring that the secretary should

(CONTINUED ON PAGE 23)

Committee Vermont Agents olve Meet, Adopt Higher e Plan Scale of Dues

Asks P. H. Hadley and
sal for Other Officers Reelected
December at Gathering in Fairlee

By WILLIAM A. SCANLON

FAIRLEE, VT.—At their annual meeting held at Lake Morey Inn the Vermont Association of Insurance Agents voted to increase their scale of dues. The new scale runs from \$10 a year for an agent writing less than \$10,000 in premiums up to \$100 for an agent writing more than \$75,000.

Preston H. Hadley, Bellows Falls, was reelected president. The other officers were all reelected: Charles G. Taylor, Bradford, vice-president; Edward S. Pike Rutland, secretary-treasurer; Howard A. Allen, Burlington, state national director, and George W. Beck, Bennington, chairman executive committee. Other members of the executive committee are E. A. Desrosiers, Jeffersonville; Prescott Ossman, Brattonboro; Richard Hubbard, Middlebury; Walter Austin, Chester, and Edward Welchman, Woodstock.

Mutual Executive Speaks

The speakers at the business session were Edward H. Deavitt, Montpelier, president Green Mountain Mutual Fire; Everett Broughton, New York City, public relations counsel N. A. I. A., and James E. Redding, assistant secretary of the National Casualty.

Mr. Deavitt believes agents and all companies, stock and mutual, are dependent upon each other for success. The companies should be interested in everything that helps the agents and the agents in what helps the companies. The agents and companies should consider the public together. He said the agent has a tremendous responsibility in informing himself so he can inform the prospects of the different types of coverage. He mentioned briefly that an increase in fire rate was subject to discussion by companies and agents. He said increased amounts of insurance would of course mean more premiums and increased commissions.

Mr. Redding said more favorable opportunities exist today for insurance agents than at any time in the last 25 years. He cited the fact that property values, medical costs and nearly all factors entering into insurance claim costs are increased. Consequently insurance needs are greater. Furthermore, said Mr. Redding, the public has the money to buy insurance.

Prices Still Low

He pointed out that most insurance policies are still priced at pre-war rate levels and in addition new forms and new selling methods such as the survey method and the bank-agent auto plan will combine to make the selling task difficult.

A program which should help agents to take advantage of present favorable conditions was outlined by Mr. Redding. First of all agents should devote more time to reaching new people and to recruiting and developing new customers. Secondly, Mr. Redding advised his audience to give serious thought to increasing their sales staff if their present staffs do not afford them the necessary time to get out and solicit new customers. Mr. Broughton spoke on "The Why and Wherefores of Public Relations." President Hadley presided at the

H. C. Klein Discusses Quirks of U. & O. Forms

COLUMBUS—If we experience the "boom and bust" periods predicted by some economists, use and occupancy insurance will be as essential to business enterprises in the "bust" periods as in the "boom," said Henry C. Klein, secretary of New York Underwriters, in his talk on business interruption coverages before the annual meeting of the Ohio Assn. of Insurance Agents.

"Being fundamentally insurance protection of earnings, it will cover a business operating in the red for so much of its expenses as would have been earned," Mr. Klein pointed out. "In fact, use and occupancy insurance is indispensable to a business earning no profit and only a portion of its expenses, since it can save that business from complete extinction, whereas the business operated at a profit has resources with which to weather an enforced suspension of operations."

Mr. Klein said that since many agents got into the sale of U. & O. with the assistance of wartime conditions, these agents, together with seasoned salesmen, may have fallen into the error of classifying U. & O. as mainly a wartime cover. They should consider the situation that faces post-war American business. Large as were the earnings of manufacturers and merchants during the war, they are being exceeded by the earnings in this post-war period of prosperity. However, shortages of material and labor are a threatening cloud on the horizon of business managements hoping to reap a profit. What if property damage and shortages of replacements prevent business operations? During the war federal priority regulations expedited as often as they delayed rehabilitation. Now, however, and for many months to come, only housing and, particularly veterans' housing, will benefit by governmental aid. Rehabilitation of business premises will be delayed by shortages, by high prices which will dis-

meeting. He reported on the activities of the association during the past year. He is in favor of holding regional meetings. He feels there should be four or five such gatherings in different parts of the state.

The state association is promoting the separation of the departments of banking and insurance. At present in Vermont the commissioner is head of banking and insurance.

The insurance commissioner is in favor of the change. When the legislature meets again in Vermont in January, 1947, the association will get behind this move to have this separation made.

Mr. Hadley also said that no word has come as yet from the company to whom complaints had been made about appointing as agents men representing finance companies. He said if replies are not soon forthcoming the association would publish the names of the companies engaged in this practice.

Membership Now 123

Secretary-Treasurer Pike reported there was a net gain of one member during the year. There are now 123 members.

State National Director Allen spoke briefly on the needs of an increased income for the agents.

Commissioner Burns, who was scheduled as a speaker at the banquet, was unable to attend because of illness.

Harry Pope gave a most humorous talk at the banquet, his subject being "A Cafeteria of Ideas to Keep You Alive While You Are Still Living."

In the course of his remarks Mr. Broughton paid a fine tribute to the insurance trade press and their value to the business.

Albert Pingree, deputy commissioner of banking and insurance, spoke briefly at the banquet.

courage building contractors from bidding on repair and reconstruction jobs, and by strikes.

Mr. Klein said that it cannot be too often stressed that U. & O. is as necessary for the protection of earnings as property damage is for protection of investments in buildings, equipment and raw materials. Frequently it can be demonstrated that the insured cannot afford to forego U. & O. since his prospective loss in earnings is greater than the loss he faces in property value and that of the two forms of insurance U. & O. is actually of greater importance to him than property damage insurance.

Most of Mr. Klein's talk was a discussion of the changes in forms and rules promulgated in Ohio in February. He mentioned that Ohio merchants and manufacturers now have the choice of three basic forms, involving 22 choices of alternatives for the merchant and 12 for the manufacturer, not counting choices of coverage, off-premises power coverage, combined manufacturing and mercantile operations coverage, and contingent U. & O. The grand total of choices is 48 for the merchant and 40 for the manufacturer. However, if anyone thinks this is a bewildering total, he should consider the Pacific Coast merchants and manufacturers who have, respectively, 1,022 and 1,037 choices.

While regretting, from the underwriter's viewpoint, the passing of the per diem form, Mr. Klein said that the fact that the per diem form limits the insured's recovery for short units of the period of suspension foredoomed it to extinction and he predicted a similar fate would overtake the per week form.

Must Analyze Each Risk

Discussing the gross earnings form, he said that since the uncertain continuing expense element is payroll, each risk should be analyzed to determine the extent to which its payroll must be continued to be able to "resume operations of the insured with the same quality of service which existed immediately preceding the loss," as set forth in the form. The need for such analysis is not limited to instances involving only the gross earnings form, he said, but is equally necessary where the two-item form is under consideration.

The determination whether the amount of insurance under any U. & O. forms satisfies the coinsurance requirements, although of first importance, is only one test of the adequacy of the amount involved. Another test of equal importance is the determination whether the amount that satisfies the coinsurance requirement is also sufficient to indemnify for loss of net profit and necessarily continuing expenses during the most prolonged suspension of business that can be anticipated during the season when earnings are highest, not only during the life of the policy but also during the year following expiration, since a loss may occur at or near the expiration of the policy resulting in suspension of business during all or the greater part of the 12 months following.

Cost Comparison

Mr. Klein said that if premium cost is the determining factor in the choice between the two-item and the gross earnings form on mercantile risks it will be found that where the comparison is with the 80% coinsurance two-item form with ordinary payroll coverage, the premium cost of the gross earnings form is lower where the percentage to gross earnings of the sum of ordinary payroll and heat, light and power is less than 60%. Since the average merchant's ordinary payroll is considerably less than 60% of gross earnings, merchants are preferring the gross earnings form, particularly in midwestern states,

(CONTINUED ON PAGE 27)

Brisk Business Meeting Covers Ground in Pa.

Cowman New President;
Agents Seek 15-Month
Auto Cover

NEW OFFICERS ELECTED

President—Stanley Cowman, Philadelphia.

Vice-presidents—Howell L. James, Erie; W. Howard Stewart, Clearfield. Treasurer—C. M. Thumma, Harrisburg.

Secretary-manager—Frank D. Moses. Assistant secretary—Jane Van Horn Evans.

State national director—Herman D. Wolff, Easton.

New directors—Harry Bailey, Waynesboro; Harry H. Blackwood, Beaver Falls; H. P. Lichtenthaler, Pittsburgh; I. D. McQuiston, Erie; E. W. Murphy, Pittsburgh; James A. Reigh, New Castle, and H. W. Schmidt, Pittsburgh.

By KENNETH FORCE

HARRISBURG—The annual meeting of the Pennsylvania Assn. of Insurance Agents here was tight-packed and covered a lot of ground in a short time. There was a dinner, but no other entertainment and part of the program, the outside speakers, was put on at that time. Few company men attended, and lack of accommodations held down agency attendance. With a homogene-



Stanley Cowman



Frank D. Moses

ous group a lot of practical business was done, particularly on association affairs.

President Morton V. V. White after a brilliant two-year administration turned over the gavel to Stanley Cowman of Philadelphia. Frank D. Moses was returned to the post of secretary manager, with applause.

One resolution asked for abandonment of the war time adviser system by the federal government and its agencies. The federal public housing authority for one is still using it. A copy of the resolution will go to the National Association.

Deplore Big Burglary Hike

A reconsideration of the hike in residence burglary rates was urged in another resolution. Howard Coe of Philadelphia said he thinks the increases, as high as 198% in some instances, will cost the agents much of this business in Pennsylvania. A copy will go to the N.A.I.A.

The association urged the National Bureau of Casualty & Surety Underwriters to reconsider promptly the matter of writing 15-month term automobile liability and property damage policies on financed automobiles in order to assist agents and brokers in their pro-

(CONTINUED ON PAGE 10)

YOUR OPPORTUNITIES HAVE GROWN 50%

It will be a real service to your insureds to check every existing fire policy—and recommend the additional protection required to cover today's inflated replacement costs. With replacement costs 50 per cent and more over pre-war levels, the need is urgent—and your opportunities are great. Consult our field men who are prepared to help you.



THE HANOVER FIRE INSURANCE CO. OF NEW YORK

Organized 1852



THE FULTON FIRE INSURANCE CO. NEW YORK



HOME OFFICE

111 John Street, New York 7, N. Y.

WESTERN DEPT.

Insurance Exchange Building, Chicago 4, Ill.

PACIFIC COAST DEPT.

340 Pine Street, San Francisco 4, Cal.

Mo. Agents Annual Parley Is Largest Ever

Louis H. Trout Elected President at Kansas City Gathering

NEW OFFICERS ELECTED

President—Louis H. Trout, St. Louis.
1st vice-president—H. F. Warner, Kansas City.
2nd vice-president—John Barclay, Mexico.
3rd vice-president—Robert Young, Jefferson City.
Secretary—Oden D. Prowell, St. Louis.
State director—R. L. Stewart, Jr., Kansas City.
Chairman executive committee—George F. King, Columbia.

By W. J. GESSING, JR.

KANSAS CITY—The annual meeting of the Missouri Assn. of Insurance Agents was held in the Muehlebach hotel here and was attended by the largest number of local agents, field men and company officers in history.

After an address of welcome by Robert L. Stewart on behalf of the Kansas City group the meeting moved quickly into an informal discussion of the motor vehicle safety responsibility act by Henry Bush, St. Louis manager of U.S.F.&G. He gave much credit to the Missouri association for getting this law passed. He expressed the feeling of most Missouri insurance men when he said that this was not the best law on the books but even so was better than expected. This is not a compulsory insurance law and Mr. Bush expressed hope that eventually an accident reporting law would be brought about instead of this present judgment law.

Curtis Tindell, chairman of the insurance committee of the Missouri house, answered questions from the floor.

Farrer Talks on Education

R. E. Farrer, educational director of N.A.I.A., spoke on publicity and education. He stated that the government would not take over the insurance business so long as the public is satisfied with the present insurance and insurance men. It is up to each individual agent to educate the public to insurance. It's a real public relations job for everyone in the business.

The afternoon session opened with talks by H. J. Ramsey and A. B. Potts on farm insurance.

Edward L. Scheufler, counsel for the association spoke on the activities of the group in connection with current legislation. He opened his talk by taking friendly jibes at his good friends W. O. Woodsmall, state agent for Fire Assn., and J. H. Ashton, Kansas City local agent.

E. J. Leahy spoke on the bank agent auto purchase plan and outlined the many uses of this consumer credit plan.

The principal address at the banquet was given by E. C. Stone, U. S. manager of Employers' Liability, on public law 15. Superintendent Jackson and G. F. King, the retiring president, also gave short addresses.

(CONTINUED ON PAGE 32)

Derides Obsolete License Laws

High Standards Should Be Set for New Agents, Reid Tells Pa. Agents

HARRISBURG—The archaic law of Pennsylvania governing the qualification

of agents in that state—and bearing considerable resemblance to similar laws in other states—were taken for a ride at the convention of the Pennsylvania Association of Insurance Agents. Charles A. Reid of Pittsburgh made it clear how much tougher it is to get a barber's license than one to sell insurance.

The barber, however, can readily cure a license to sell insurance in time, he explained.

Mr. Reid's vigorous recommendation for modernization of laws dealing with agent licensing were adopted in a resolution and directors were asked to take immediate steps to do something at the next legislature.

The state considers barbering as the work of the insurance agent by "personal services." But a barber must study two years. He must serve months as an apprentice, pass a state conducted examination and pay \$5 for the privilege.

Few Real Qualifications

The licensing of an agent is much simpler. Insurers are required to certify names of agents to the department. The applicant has to be 21 years old, or a copartnership or corporation. The applicant must "respond to certain interrogatories" by the department; be vouched for by a company, association or exchange. He must be (according to the company) of good business reputation and of experience in underwriting. The companies must shudder or shut their eyes when signing the applications of some, Mr. Reid suggested.

In 1927 the state started asking for a written examination though under the law this is not necessary if the company vouches for the applicant.

A complete overhaul is needed, Mr. Reid charged. The law should tell exactly how the commissioner is to proceed, set up minimum standards of experience, and not permit insurance to be sold as a sideline to any other business or occupation.

A reexamination every five years might be a good idea. The association should study this possibility. Law can't be passed to keep persons out of a business but there are many laws of the books establishing standards for other businesses and services. If the automobile dealer wants to barber on the side, he can—if he meets the requirements. The requirements on the applicant for an agent's license should be at least as severe.

At the same time, the law governing countersignature should be eliminated or clarified so it can be enforced. For fire business it states the resident agent will receive "the commission" for casualty, "a commission." There has been no court definition of the two terms. The companies interpret what the terms mean. There are few calls for countersignature of casualty and surety policies, he said. The law is violated hundreds of times a day in Pennsylvania. The company has a clerk in its branch office sign the name of the manager who is a licensed agent. There is plenty of reason for the violations. The law is a hardship on companies and brokers, he said. It restricts the free flow of business across state boundaries.



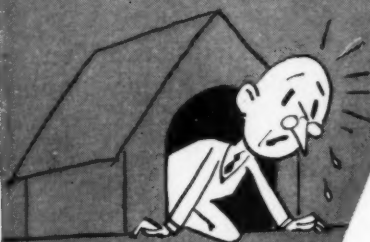
Charles A. Reid



George F. King

September 12, 1946

**WOULD YOU BE
IN THE DOGHOUSE—
IF YOUR CLIENT'S
PROPERTY WAS
DAMAGED OR
DESTROYED?**



**Would you be in the doghouse
if your house burned tonight?**
by Don Herold



Last week I woke up to the fact that I was carrying only about 40% enough insurance on my house. I'm the national average. The chances are you are, too.

We wouldn't think of roofing or painting only 40% of our house, yet the figures show that most of us go around with only one end of our houses insured. We may actually carry only enough insurance to protect the mortgage holder—nothing for ourselves.

IT'S WORSE TODAY
We always did carry too little insurance. And today we probably carry a heck of a lot too little, because replacement value of our homes has shot up (the national average of increase since 1939 is 45%), and we've let our insurance stand at pre-war levels.

This is dilatory, darn-foolish and dangerous. If your house burned tonight would you want only enough insurance money to rebuild only about two-fifths of it? **YOUR HOUSE IS WORTH MORE** Don't kid yourself about this discrepancy. Ask a contractor to give you a rough idea as to what he'd charge you to rebuild. You'll get an answer which will probably shock you into upping your insurance as soon as you can fly to the phone and call an AMERICA FORE agent. It is utterly ridiculous to carry too little insurance, because, in my opinion, fire insurance is one thing in this country that is dirt cheap today. (The average cost has gone down 40% in 30 years.) What I say about home insurance applies to furnishings, too.

BUSINESS PROPERTY, ALSO
Also to business property. Replacement values here, too, have skyrocketed in recent years but many owners are fast asleep with their same old pre-war insurance coverage. Ask your AMERICA FORE agent today to help you determine your real insurance needs—it's a technical problem which calls for expert help.

SEND FOR FREE BOOK
I've dug into this subject of today's new insurance needs and investigated new kinds of insurance available now, and I've written a little booklet about 'em which you can get by sending the coupon below. Among other things, this book helps you to make a simple inventory of your household possessions.

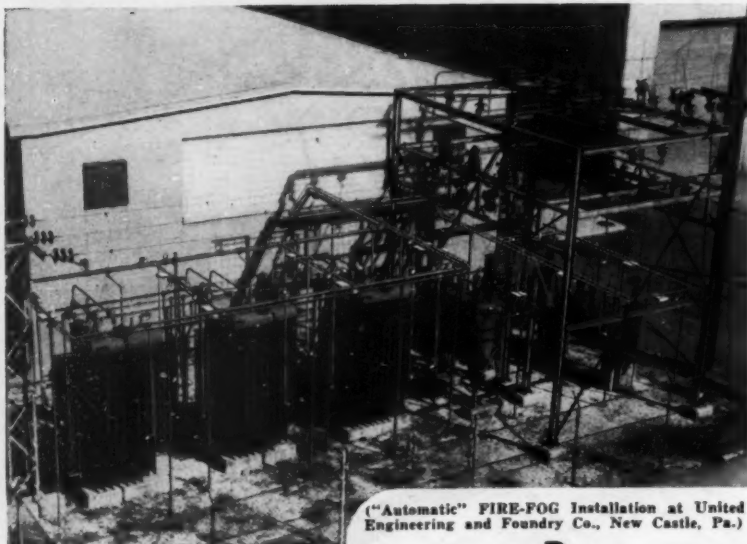
THE CONTINENTAL
FIDELITY-PHENIX • NIAGARA •
FIDELITY AND CASUALTY COMPANY OF NEW YORK
Frank A. Christensen, President

America Fore
INSURANCE GROUP

FREE BOOKLET
AMERICA FORE INSURANCE GROUP
80 Horizon Lane, Room 1719
New York 17, New York
Please send me a free copy of Don Herold's booklet,
"YOUR INSURANCE QUIZ."
Name _____
Street _____
Town _____ Zone _____ State _____

Appealing to every home-owner, America Fore advertising during August and September calls attention to the need for increased insurance to cover the increased cost of replacing property damaged or destroyed by fire or other hazards. Direct mail, posters and newspaper mats which tie-in with this advertising are available to America Fore agents.

Short Life . . . TO TRANSFORMER FIRES



("Automatic" FIRE-FOG Installation at United Engineering and Foundry Co., New Castle, Pa.)

WITH SPLIT-SECOND



● Only a hint of flame at this bank of high voltage electrical transformers and—quick as a flash, "Automatic" FIRE-FOG goes into action. From strategically located FIRE-FOG nozzles, a barrage of mist-fine water spray is directed at the blaze forcing the flames down and cooling the fire area. Seconds later, extinguishment is complete . . . final, and damage to equipment has been confined to the point of fire origin. Even out-of-service time has been held to a minimum.

In addition to safeguarding oil-filled electrical equipment from the danger of fire, "Automatic" FIRE-FOG provides positive protection for oil quench tanks, gasoline loading racks, dryers, oil lines and flammable liquid processing, handling and storage facilities. Write for complete information. It's yours for the asking.



THE SUPROTEX® SPRINKLER SYSTEM

A famous member of the "Automatic" Sprinkler Family. Designed particularly for use in manufacturing, mercantiles, warehouses, churches, schools, offices, hospitals, piers and other establishments where positive fire protection is a must.

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"Automatic" Sprinkler

"AUTOMATIC" SPRINKLER CORPORATION OF AMERICA

YOUNGSTOWN, OHIO OFFICES IN 37 CITIES

"Automatic" Sprinkler designs, manufactures and installs a complete line of fire protection devices and systems for all types of fire hazards. Listed by Underwriters' Laboratories, Inc., and approved by Factory Mutual Laboratories

"PR" Task Never Ends: Broughton

Message Has to Be
Repeated Constantly for
New Audience

FAIRLEE, VT.—Speaking before the Vermont Assn. of Insurance Agents in annual meeting here, Averell Broughton, public relations counsel of N. A. I. A., emphasized that the public relations task is never ended. "It must, in effect, be done all over again each year," said Mr. Broughton, "building, however, upon the sound foundations laid in years before."

The public forgets quickly, individuals die, retire from business or are scattered by the fortunes of life and, in effect, a new audience is on hand each year.

Members coming upon the national scene frequently have little concept of the operations of the years which have gone before. Every past president of the association finds that those matters which were of such great and vital importance in the year in which he served are now but relics of history. That is natural.

Every task which deals with ideas, with the human mind, with human feelings and human activity must perpetually be done anew. Each year's public relations program is in many ways a new series of events, a new group of tasks.

Basic Plan Important

Hence, he said the basic plan is of great importance. That is why continuity of experience in the public relations and on executive committees is necessary to efficient operations.

"Each year we must put on a fresh performance, complete in all respects—talks by officers and committee members, speeches, booklets, articles, advertisements, group meetings. These things must be done again each year. Public relations is not carved in stone. It is not static. It is in the minds and hearts of people. And since new people come upon the scene, since new ideas arise, the task is never ending.

"Legislators are constantly changing. Legislative work must be done again and again. Just because an insurance commissioner today is understanding and sympathetic on the basis of knowledge and contact, does not mean the new commissioner of tomorrow will not have to go through the same education process and acquaintance."

Continuity must also come from public relations and legal counsel and from members of the staff.

Must Be Independent

It is the business of counsel to think independently from the outside, to make recommendations and to see so far as is possible that those recommendations are fully understood and followed when a decision has been made. Such counsel can be valuable only if they are independent and original thinkers who operate as independent individuals in consultation with officers and committee members as equals, equally interested in the basic problem and with no axe to grind.

Some of the problems that he has dealt with as public relations counsel are concerned with future finances, administration reports, legislative and membership problems, and with the general education of the membership in the field of public relations and as to the value of the association itself.

Must Recruit Leaders

"In trade association work, you must provide the very best ability you can persuade to take office. That is a major task which should not be left to chance or personal ambition. Able and competent men should be sought out and persuaded to prepare themselves for the burdens of high office. It is also an

Silversides to Yorkshire Post in U. S. Gray Ascends

Harold T. Silversides and Senator R. Gray have been appointed deputy and assistant U. S. managers, respectively, of Yorkshire. Mr. Silversides joined the York head office in 1916 and comes here from Manchester where he was branch manager. Mr. Gray has been agency superintendent at New York for the past 15 years.

The directors of Seaboard Fire & Marine have appointed Mr. Silversides vice-president and elected him to the board. Mr. Gray already holds such a position.

Coast Non-Board Men Confer on Rating Bureau

LOS ANGELES—Executives of non-board fire companies having offices here are attending a meeting at San Francisco this week with the Pacific Board regarding participation in the new Pacific Fire Rating Bureau. Any insurer may become a member or subscriber. It is expected the non-board offices here will become members. There has been no intimation as to whether mutual and reciprocal companies will participate.

To Build New Waterworks

TAZEWELL, TENN.—A contract has been awarded by the city to the Arnold Construction Co., Clairfield, Tenn., for construction of a waterworks and fire protection system for Tazewell and New Tazewell at estimated cost of \$294,000.

Steinmetz On U. of Ill. Crime Clinic

Dr. R. C. Steinmetz, Chicago, chief investigator Mill Mutual Fire Prevention Bureau, was on the program of the clinic on relations of law and science of the University of Illinois last week. He discussed marshalling evidence in cases of suspected arson.

Boston Courses Start Sept. 16

BOSTON—Courses in fire and casualty insurance for the 1946-7 season will be conducted under the auspices of the Insurance Library Association of Boston with Vice-president F. H. Morasch as educational chairman. Discussion groups will meet on five successive Monday mornings beginning Sept. 16, limited to 25 members. There will be 16 evening lectures following the Insurance Institute course on general principles of fire and casualty insurance, starting Oct. 17. Plans for the casualty courses have not been completed.

Foot Heads Independents

W. W. Foot, Economical Mutual Fire, has been elected general chairman of the Independent Fire Insurance Conference. Ontario vice-chairman is J. G. Hutchinson of Shaw & Begg and Quebec vice-chairman is O. W. Dettmars of Willis Faber & Co., Montreal. J. A. Blondeau is retiring president.

honor. Able men will take it, provided they are given assurances of support, and the honor is a great one when the task is performed honorably."

Mr. Broughton stated that it would take many years to thoroughly indoctrinate the complete membership with the principles of sound public relations effort so that they could be applied effectively in home localities.

Mr. Broughton stressed the great political strength possessed by N. A. I. A. under proper guidance and leadership. He spoke of it as a bulwark of American security and one of the few great groups of independent businessmen ready for action if necessary on behalf of American beliefs and the free American way of life.

Announcing

"THE BOOK OF THE YEAR for Home Owners"



"HIDDEN HAZARDS"

"How to avoid them when you Remodel or Build your Home"

is the title of a new 64-page book, 8½ x 11 in size—with a 4-color cover and 72 two-color diagrams, which has been compiled and published by Insurance Company of North America Companies for distribution to property owners and those who are planning to build. It shows how to select materials and construction methods so that fire and other perils can be avoided.

This book will be offered to interested home owners and home planners in a full page, four-color advertisement to appear in the September 7 issue of The Saturday Evening Post, and in one color in Collier's, American Magazine and American Home.

It will be distributed exclusively by Agents of the four North America Companies.

We wish we could offer to distribute "Hidden Hazards" through all agents in the American Agency System, but present paper quotas and printing conditions make this impracticable. If you do not represent one of these companies, and clients ask you for "Hidden Hazards", please communicate with the nearest North America Service Office.

The publication of "Hidden Hazards" is in keeping with North America's traditional policy of serving in the public interest, and distributing fire prevention and safety educational publications through its agents, so that all may benefit through lower loss ratios and greater safety.



INSURANCE COMPANY OF
NORTH AMERICA
COMPANIES, Philadelphia

INSURANCE COMPANY OF NORTH AMERICA INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY

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Pa. Agents Meet in Harrisburg

(CONTINUED FROM PAGE 5)

duction of business under the bank and agent auto plan.

The association strongly commended reciprocal licensing agreements. Many members handle business across state lines, but frequently have encountered obstacles arising out of license procedures in force in the various states, to the detriment of policyholders.

During the past year the present administration of the Pennsylvania insurance department has successfully negotiated a series of reciprocal agreements with other states. Under these agreements licenses are now promptly available to any certified Pennsylvania agent or broker who may require coverage for his clients in the other states. Agents hope for extension of such agreements.

O. K. N.A.I.A. Budget Boost

The association approved in principle the report of the N.A.I.A. future finance committee and asked for a Pennsylvania committee to put it into effect at the state level. Herman D. Wolff of Easton, state national director,

explained why the N.A.I.A. needs a bigger budget—to cover increased costs of doing the present job and to expand activities, to employ a full time actuary, for example, and send representatives to the commissioners meetings. The increased need may double the state's contribution to N.A.I.A., he said.

Pennsylvania has its own all industry committee, and the agents have taken a leading role in working out legislation for submission at the state capital next year. No details were given as to the contents of the bill being evolved, but Stanley Cowman of Philadelphia, gave a clue as to what the agents want in the bill when he said he favors the most vigorous kind of competition. The state doesn't have to follow the model bills of the national all industry committee, he pointed out. What is important to the Pennsylvania agents is to have as free a market as possible.

Less Regulation Necessary

The Robertson and Benjamin cases indicate that not as much regulation will be needed as was first thought necessary, George H. Hafer, Harrisburg, counsel of the association said. The commissioner can be given broader discretionary powers.

R. A. Tucker of Pittsburgh said the board there already is considering ways to influence public opinion in favor of

the legislative program when it is introduced.

Mr. Hafer said the agents should tell their state legislators what is coming. He also urged more revenue for the Pennsylvania department, a theme touched on by others at the convention. It is likely that the insurance legislation when it goes in will cover this as an adjunct to rating legislation and that it will include modernization of the qualification laws.

Commissioner Neel at the dinner said the state gets \$11 million from the annual insurance volume in Pennsylvania of \$667 million. But the department budget of about \$335,000 does not equal the \$564,000 in various fees of the department. He said the department is going to need an actuarial division in connection with the rating bills. Pennsylvania can have as well staffed an insurance division as New York—if it has the wherewithal.

Meeting Sept. 11

The Pennsylvania industry committee is meeting Sept. 11 in Philadelphia. Two members have been added, H. O. Hirt, Erie Insurance Exchange, for reciprocals, and Geo. E. Lallou, assistant treasurer Budd Manufacturing Co., Philadelphia, for large buyers. Mr. Hafer and association leaders are conducting regionals on P. L. 15 around the state.

Federal bureaus ought to discard the war time plan under which the insured pays an adviser's fee to agents, Charles A. Reid of Pittsburgh declared.

The public housing authority received \$245 million to remake camps into veterans' housing, and FPHA awarded contracts at cost plus fixed fee. The agency then asked that their insurers and advisers, who need not be agents, be submitted by the contractors for FPHA approval. The wartime adviser fees of 7½% down are being paid.

Agents submitted to this during the war, but it should be abolished now, he urged.

Alexander Appears

Ralph H. Alexander, deputy commissioner, explained the department's attitude on declining to permit inland marine coverage of contents of cold storage lockers. He said the method is obviously an effort to get insurance for the locker operator from the locker user. All the user needs is protection against consequential loss and this is an obligation of the owner. If inland marine people are permitted to write this business, why shouldn't they be permitted to write coverage on material stored in any warehouse?

Mr. Alexander suggested that one difficulty agents may be having in stemming the tide of auto dealer licensing is that the business condones other types of part timers selling insurance. There are limited licenses issued to sell accident and health, for example, or credit insurance, and legitimately so. However, the law prohibits a producer from paying part of the commission to insured, and under Pennsylvania law the auto dealer owns the cars he is selling.

Big Jump in Licenses

R. T. Wilson, chief of the division of agents and brokers of the department, asked for patience of those waiting for licenses to be issued. The department, with 147,227 agents licenses and 9,000 brokers licenses in force, is undermanned. He urged proper filling out of applications. About 20% have to be sent back. The reciprocal licensing agreements Pennsylvania now has with several states created in June and July an almost 100% increase in license applications.

The department will no longer recognize facsimile signatures on license applications, he said.

Commenting on public law 15 at the dinner, Commissioner Neel of Pennsylvania said he would like to see the minimum of regulation, not the maximum. Subsequent disapproval of rates could be more efficiently administered. He thinks the business will get about five times as much regulation as it has. A busi-

ness that has done as well as insurance should be re-formed slowly.

A few strong commissioners took advantage of the competitive pulling and hauling in the all industry committee to produce bills that will spell doom to private enterprise, Roger S. Kenney, U. S. Investor, said. Superintendent Dineen of New York has a deputy running up and down the country with a questionnaire on expense ratios of fire companies, he declared.

Guy T. Warfield, Jr., Baltimore, vice-president of N.A.I.A., was the other banquet speaker. With a calm and reasonable outline of N.A.I.A. services, he made a strong impression.

The membership cup went to the



M. V. V. White



Ralph Alexander

Central Assn. and Howard Stewart of Clearfield. Several handsome gifts were presented Mr. White by Wm. F. Winget of Scranton, toastmaster.

BANK-AGENT PLAN

Of 26 local boards in Pennsylvania, 11 have the bank-agent plan working, Stanley Cowman reported. Ninety-six banks are cooperating. Producers are active in promoting the plan. The Aetna film, "The Bank and Agent Auto Plan in Action," has been shown 17 times in 14 places. Three boards are doing cooperative advertising. Seven boards report banks are doing individual advertising while three are doing it collectively. One association has three spot radio announcements a week and the banks have three.

"If the banks in your community are unwilling to cooperate with boards who organize to do a good job, we in Philadelphia may be able to help you because many so-called 'up-state' banks are correspondents of Philadelphia banks, and we may have friends willing to persuade your bankers to give this business a fair trial," he said.

2½ Million Units in 1946

While automobile production has been disappointing, in fact only about 35% of expectations, August will show a production volume of 250,000 units, he said. In the first seven months factory sales of passenger cars totaled 849,804 units, of which 51,402 were shipped to foreign markets. Of 342,744 commercial vehicles built during the same period, 83,059 went into the export trade. If the industry's hopes for the remainder of the year are realized, 1946 production of passenger cars will total about 2,475,000 units, supplemented by nearly 925,000 commercial vehicles.

The big opportunity still exists for agents everywhere to capitalize on the plan. The objectives can only be realized if the agents of each community get together and give the program full support. In spite of a very late start, producers can by intelligent direction and effort change the buying habits of millions of people, serve their local communities by keeping this business at home, perform a valuable service to the public and produce insurance for themselves which will otherwise be directed to other channels, he declared. But the agents must keep everlastingly at it.

Experience of Veteran

A returned veteran started advertising in used car columns, received two dozen calls and about six sales a day. In addition there were a number of walk-in sales.

The finance company is quick to repossess, but the bank is reluctant to do

CHANGING TIMES need CHANGING METHODS

Backed by ample resources and with a sweeping knowledge of the ever changing insurance picture . . . Pearl American stays abreast of the changing needs of your risks. We maintain a flexible, continuous program indispensable to sound service in the face of constant change.

Progressive service allied with a warm understanding of agents' individual problems—these have long distinguished Pearl American companies.

Investigate Pearl's friendly cooperation . . . Pearl's ability to grasp your problems and help you keep YOUR customers satisfied.

PEARL ASSURANCE COMPANY, LTD.
EUREKA SECURITY FIRE & MARINE INSURANCE CO.
MONARCH FIRE INSURANCE COMPANY

PEARL AMERICAN

HOME OFFICE: 19 RECTOR STREET, NEW YORK &

CLEVELAND, 313 BULKLEY BLDG.
PHILADELPHIA, 525 CHESTNUT ST.
SAN FRANCISCO, 349 PINE STREET

NEW YORK, 26 CLIFF STREET
CINCINNATI, 1417 CAREW TOWER
CHICAGO, 175 W. JACKSON BLVD.

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LESSON FOR TODAY




FIRE INS.

This is a house. It cost \$8,000.
(Worth \$12,000. today.)


This is its fire insurance.
(not enough; bought in 1940)



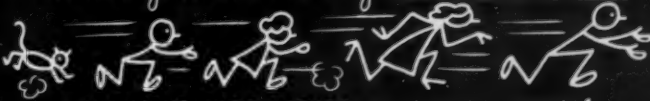
The house is on fire!
Contents too!



This is the family.

They are living in a tent  **WHY?**

ANSWER - Because they didn't
know they were badly underinsured.



CALL YOUR FIRE INSURANCE AGENT **NOW!**

THE NATIONAL FIRE GROUP

Another mailing piece on this timely
subject being used by our agents.

The National Fire Group

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD FRANKLIN NATIONAL INSURANCE COMPANY OF NEW YORK
MECHANICALS AND TRADERS' INSURANCE COMPANY TRANSCONTINENTAL INSURANCE COMPANY

UNITED NATIONAL UNDERWRITERS COMPANY
MEMBER THE ASSOCIATED AVIATION UNDERWRITERS

ADV-46010

so. It is closer to the borrower and more sympathetic with him.

Commercial Investment Trust, an agent said, is giving bail bond, travel accident policy, and an offer to finance repairs in case of accident or breakdown.

Norman B. C. Stiteler outlined the Harrisburg program.

Since the National Assn. is making a study of local board by-laws, Mr. Hafer suggested no action be undertaken till that study is completed. Mr. White said he thinks there should not be artificial barriers to membership.

President Morton V. V. White of Allentown briefed the work of the past year. Membership now stands at 930 and with the emergency finance plan put into effect last year, finances are in good shape. Report was thorough, sprightly and meaty. The convention voted to have it published for distribution to the local boards. Mr. White strongly urged support of the Pennsylvania all industry committee working on legislation to present to the Pennsylvania assembly next year in connection with public law 15.

Membership Is Now 930

Membership has increased from 846 to 930, Howell L. James of Erie, vice-president and membership chairman, reported. He urged an all out drive for new members Oct. 29-31.

A special committee headed by Harold C. Aulenbach of Reading emphasized the need of getting a larger numerical strength and suggested creating "cooperating" or associate memberships for all the agents or officers in an agency. At present the agency carries the membership. Getting new members will be integrated with the plan to be evolved for getting more money for the state and National Assns.

The responsibility of agents to provide "prevention" as well as protection was emphasized by both Joseph H. Sowers of Reading, chairman of the accident prevention committee, and Fred H. Schantz, Allentown, chairman of the fire prevention group.

Safety isn't optional, Mr. Sowers said, it is essential to survival. Participation in accident prevention by the agent is long overdue. Every man, woman and child is a pedestrian, a motorist, or both.

L. W. Gohn, veterans' employment

representative of the U. S. Employment Service, outlined step by step how the agency can qualify itself and ex-GIs it is training for the on-the-job training program of the veterans administration.

He emphasized the importance of filling out as completely as possible the subjects study in the form DPI 346-3. This is the information on which the veterans administration approves or disapproves the application. The agencies are interested in the "on-the-job" and not in the "apprentice" sections.

The several questions asked Mr. Gohn indicated that quite a few agencies are using the program for new men or are planning to do so. What is a proper wage for a "journeyman" training to be an insurance solicitor? Mr. Gohn answered, "a living wage," in Mr. Gohn's area estimated at \$2,000 to \$2,400 a year.

While a considerable number of agencies are using the program, it is reported that the companies are employing it to a far greater extent in short, intensive courses—and are getting the cream of the crop.

Mr. Cowman, the new Pennsylvania president, was born in Baltimore of Quaker parents in 1893 and attended Friends School, Baltimore and Westtown School, Westtown, Pa. He started in the insurance business with the old German Fire of Baltimore, later Central Fire as map and reinsurance clerk. He then became connected with W. T. Shackelford & Co., and in 1915 went to Philadelphia with Aetna Casualty as a department head and to prepare for compensation insurance as the Pennsylvania compensation law was to become effective Jan. 1, 1916.

In 1923 he became superintendent of the compensation and liability department of U. S. F. & G. at Philadelphia and the next year went with Mather & Co. to establish a liability and surety department, and he has completed 22 years with that organization. While in this position he also, for several years, was automobile secretary of Quaker City F. & M.

He had been a director of the Insurance Federation of Pennsylvania for a number of years, and this May was elected a vice-president. He is also a vice-president of the Insurance Agents & Brokers Assn. of Philadelphia & Suburbs. For the past year he has been vice-president of the Pennsylvania Assn.

of Insurance Agents, chairman of the auto finance committee and chairman of the all industry committee. His hobby is American antiques.

PENNSYLVANIA NOTES

E. Earl Miller, agent at Williamsport, and secretary of the Wyoming Fire & Casualty Agents Assn., attended with his wife. He has been totally blind since half way through the University of Pennsylvania, from which he was graduated. At the meetings he took Braille notes. He uses a standard typewriter, on the touch system, and writes all his own letters. Mrs. Miller helps him operate the agency, but in his home town he gets around by himself and knows practically everyone by voice.

A. S. Feinerman, president of the Harrisburg Assn., welcomed the convention but was unable to stay for the sessions. With his wife he was just leaving for Canada on the couple's first vacation in eight years.

Herman D. Wolff of Easton headed the resolution's committee and Jack F. Morgan of Lewistown the nominations group.

Daniel F. Ancona of Reading, affable and pleasant, did a remarkable job of trouble shooting hotel reservations. All Harrisburg was full and there were no vacancies for five towns around. Mr. Ancona got behind the hotel desk and found a bed for everyone.

Joseph Sowers of Reading assisted with the registration desk.

Retiring President Morton V. V. White makes a witty, able presiding officer. He kept a light but firm hand on proceedings.

Sample Women's Insurance Habits

"Woman's Home Companion" has announced the results of a survey that was conducted by mail on the savings and insurance practices and desires of readers. It found that 93% of those who own their own homes carry fire insurance on the house and 68% insure contents against fire. Only 14% carry residence burglary cover. Of the automobile owners, 62% carry insurance. Of those with less than \$3,000 income, 55% have automobile insurance while of those with greater income, 70% insure. Fifty per cent of the families that responded had accident and health and hospitalization insurance.

C. A. Nottingham, deputy U. S. manager of the Royal-Liverpool group, has returned to New York from a two months' visit to England and Scotland.

F. R. Bigelow, St. Paul Chairman, Dies at 76

Frederic R. Bigelow, chairman of St. Paul Fire & Marine, died Sunday at Miller hospital, St. Paul. He was 76 years old.

Mr. Bigelow, son of an early president of St. Paul, had been identified with the company since his graduation from Williams College in 1891. He became president in 1911 and chairman in 1938. Surviving are his wife and two daughters, Eileen Bigelow, St. Paul, and Mrs. A. H. Ingram, Nashville. Funeral services were conducted Tuesday at



FRED R. BIGELOW

House of Hope Presbyterian Church, St. Paul.

Mr. Bigelow was stricken while on a vacation in Jasper National Park in Canada and was taken back to St. Paul.

Mr. Bigelow had been virtually executive head of St. Paul F. & M. from 1908 until his retirement in 1938. His father, C. H. Bigelow, was president from 1876-1911 and hence for a span of 62 years Bigelow was president of that company.

Was P.P.F. Pioneer

As marine secretary, Mr. Bigelow gave great impetus to inland marine writings. He was devoted to the broad all-risk possibilities of inland marine and he was a pioneer in the personal property floaters field.

Mr. Bigelow's active interest in St. Paul F. & M. continued through his tenure as chairman.

Mr. Bigelow served as head of the St. Paul Community Chest, president of Wilder Charities, chairman of the Board of Public Welfare and president of the board of Macalester College. He recently retired, at his own request, as chairman of First National Bank of St. Paul, but continued as a director.

New Mexico Agents to Meet Nov. 8-9

Convention dates for the New Mexico Assn. of Insurance Agents have been changed from Oct. 18-19 to Nov. 8-9. Following is the program:

Nov. 8, morning: Committees', officers' reports. Afternoon: Talk by a representative of the National association and Fred Ball, treasurer of Gross Kelly Co., on "The Buyers' Impression of the Insurance System." Also a talk by an Albuquerque attorney, on the wage and hour laws affecting local agents and talk by Superintendent Apodaca of New Mexico.

Nov. 9, morning, Edward C. Stone, U. S. manager, Employers' Liability, on P.L. 15. Afternoon: agents' meeting. Evening, Banquet at the Hilton hotel, Albuquerque.

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BOSTON
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WASHINGTON
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PHOENIX
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LONDON

DETROIT
MINNEAPOLIS
ST. PAUL
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CLEVELAND
COLUMBUS
VANCOUVER
MONTREAL

SAN FRANCISCO
LOS ANGELES
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FINANCIAL STATEMENTS DECEMBER 31, 1945

VALUATIONS ON BASIS APPROVED BY NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Companies	Capital	Total Admitted Assets	Liabilities (except capital)	Surplus to Policyholders
Firemen's Insurance Company of Newark, N. J. Organized 1855	\$9,397,690.	\$54,848,473.	\$31,764,718.	\$23,083,755.
The Girard Fire & Marine Insurance Company Organized 1853	1,000,000.	6,412,691.	3,691,439.	2,721,252.
National-Ben Franklin Fire Insurance Company Organized 1866	1,000,000.	5,891,844.	3,233,665.	2,658,179.
The Concordia Fire Insurance Co. of Milwaukee Organized 1870	1,000,000.	5,981,590.	3,232,950.	2,748,640.
Milwaukee Mechanics' Insurance Company Organized 1852	2,000,000.	15,712,261.	8,759,027.	6,953,234.
The Metropolitan Casualty Insurance Co. of N. Y. Organized 1874	1,500,000.	16,207,622.	11,082,112.	5,125,510.
Commercial Casualty Insurance Company Organized 1909	1,000,000.	16,497,745.	10,952,765.	5,544,980.
Royal Plate Glass and General Ins. Co. of Canada Organized 1906	100,000.	357,392.	1,384.	356,008.

Pittsburgh Underwriters - Keystone Underwriters

PACIFIC DEPARTMENT
220 Bush Street
San Francisco 6, Calif.

SOUTHWESTERN DEPARTMENT
912 Commerce Street
Dallas 2, Texas

HOME OFFICE
10 Park Place
Newark 1, New Jersey



CANADIAN DEPARTMENTS
465 Bay St., Toronto, Ontario
535 Homer St., Vancouver, B. C.

WESTERN DEPARTMENT
120 So. LaSalle Street
Chicago 3, Illinois

FOREIGN DEPARTMENT
111 John Street
New York 7, New York

W.U.A. in Old Form at Asheville

(CONTINUED FROM PAGE 3)

Union; G. W. Funk, assistant secretary Great American; W. E. Newcomb, executive assistant Great American; G. S. Tompkins, vice-president American Union; E. E. Doggett, secretary Prudential Fire of Oklahoma; W. L. Nolen, vice-president Pennsylvania; H. V. Tisdale, secretary Homeland; A. M. Wagner, assistant secretary Hanover. S. H. Quackenbush, Crum & Forster, was elected honorary member.

Mr. Ohlsen in his presidential address, remarked that the W.U.A. has until its next semi-annual meeting, a year away, in which to demonstrate by trial and error that associated efforts can survive.

He recalled that the first attempt at organization in the 'middlewest originated with local agents to stabilize their own rates. By use of consolidated judgment and compromise they rated the properties of their localities and sometimes fixed the total amount of insurance to be granted on specified properties. Companies were few, capacities were limited and the wise local agent allocated or rationed his facilities so as to keep in reserve an additional line for his favorite customer.

The local agent had to weigh the risks carefully and make distinctions.

The next organization move was a somewhat loosely formed association of field men. This was to give effect to the local board regulations and to inject some measure of uniformity into rates.

In the meantime, there had appeared various minimum tariffs applicable to one or more states and provided by individual companies. Up to this time

the least credit or charge usually in minimum tariffs was 25%. It was many years later after the introduction of scientific rating that rates were expressed in odd amounts.

Out of these conditions in the middle-west W.U.A. was created 67 years ago. The early years were precarious and difficult. There were discouraging internal problems and there were obstacles in the legislatures and in the courts, but the founders were able to triumph.

Organization, Mr. Ohlsen declared, has developed and applied schedule rating which is the best known method for impartially assessing fire hazards. It has created and maintained the only source of competent information showing the fire waste. It has initiated and sponsors Underwriters Laboratories. It produced and provides a modernized and clarified policy contract. It provides for universal use of liberal uniform standards of definition of liabilities assumed—uniform forms. It has continuously reduced the average cost per \$100 of insurance and at the same time has greatly broadened coverage without additional charge.

In the two wars, technical skill, organizational facilities and personnel have rendered invaluable service to the government.

All this was possible only through associated efforts which means the carefully considered experience, opinion and judgment of a preponderant majority.

There is no hostile public opinion towards fire insurance today, Mr. Ohlsen declared. There is a firm basis of mutual understanding with state regulatory authorities and there is no reason to expect that federal regulations will be punitive or destructive.

Governing Committee Report

The governing committee, in its report, referred to the fact that under the new setup there are only five constitutional committees, they being governing, membership, finance, forms and order of business. The governing committee has set up special committees consisting of arbitration, grievance, general agency, Chicago, loss adjustment—Cook county, inland marine, fire protection engineering, central traction and lighting bureau, arrangements, cooperation in loss adjustment practices, maps and public relations, and if the need arises, other committees can be created.

Field Club Changes

The new constitution and principles of practice necessitated revision of the constitution and by-laws for field club organizations. A framework of a revised constitution and by-laws, together with a statement of principles for handling delinquent agency balances has been furnished to all field clubs for their guidance in adopting necessary changes.

It is not practicable to lay down a single program of procedure for handling delinquent agency balances to be followed in every state. The outline that has been furnished is intended only to specify the principles to be observed. The mechanics are left to the respective field club organizations within the limitations of the outline.

W.U.A. is looking forward to the immediate expansion of field club activities, particularly in the realm of public relations, and every company was urged to authorize its field men to cooperate.

Innovations Not Always Wise

The governing committee remarked that in these times there is a tendency to try many new things. The committee always will give a sympathetic ear to every new proposal, particularly when it gives promise of improving the business or meeting a public interest. However, the committee is convinced that much harm can be done through hasty adoption of innovations without careful consideration to determine their ultimate effect. Frequently ideas have been adopted in the business to the later regret of all concerned.

Years ago there were a multiplicity

of contracts and they served no purpose, but the recent tendency has been to combine contracts for the benefit of all. The business should be every legitimate public need, but should be conducted in a logical, carefully thought out manner rather than in a way that tends to confuse agents and company men, and that would result in a disservice to policyholders.

The committee believes that not all the suggestions that are said to be in the public interest would actually be beneficial to policyholders.

Change to Voluntary Basis

The committee remarked that the association is passing from a system of self-government with its inherent expressed compulsions to a method of voluntary cooperation. W.U.A. cannot assume responsibility for its members. The responsibility for the association rests on the members to give effect to its objects and purposes. There must be willing cooperation by each member with other members. The association is not attempting to put the membership in an enclosure of compulsions and penalties.

"The basic theory of membership is to have a wide entrance over which the pass word 'cooperation' appears in unmistakably clear letters and an equally wide exit marked with the inscription 'unwilling.' The choice is just that simple and that free. Not since the advent of the first state control of rating schedules has the need for cooperative effort been so important as now.

"We are confronted with an entirely new problem—a federal government interest in the regulation of our business over all and in addition to the regulations already provided by the several states. It is difficult to see how new and additional regulations can increase the good faith or improve the quality of stock fire insurance. Nevertheless, the situation that has been created is a matter of concern to the institution. It is inconceivable that the problems are as susceptible to as many solutions as there are individual opinions."

The proper approach is through organized cooperative efforts on the broadest possible and continuously widening basis of membership in W.U.A.

In this period there is a special responsibility on the association to so administer its rules, principles and procedures as to invite the complete support of all members and thus demonstrate to the regulating authorities the reasonableness of its objectives and the fairness of its practices.

Public Relations Report

John C. Harding, Springfield F. & M., reporting as chairman of the public relations committee said that a full-fledged public relations program is to be resumed soon. He recalled there has recently been added to the headquarters staff, an experienced public relations man.

The W.U.A. committee has been in consultation with representatives of other regional bodies and with the guiding committee and staff of the public relations committee of the National Board.

The purpose is to localize and adapt the National Board program to the needs and conditions of the individual states. The National Board material will be supplemented by W.U.A. contributions. Insofar as possible, the work will be coordinated with that of the National Assn. of Insurance Agents and state associations and local boards.

Woo Trade Associations

There will be a systematic cultivation of the various trade associations through the Chicago headquarters staff, through field men and local agents. Lists of these associations have been secured from the U. S. Department of Commerce. There are great possibilities for establishing common ground with other businessmen and to give practical talks before trade associations.

Field organizations have repeatedly

Packaged Plan—Packaged Premium—Packaged Profits



A Life Package YOU CAN BANK ON FOR QUICK AND EASY SALES

This popular "LIFE-savings" plan creates immediate interest when you show the full story of its benefits to your clients in this dramatic package. You can clinch the sale in a few minutes. Specialized knowledge is unnecessary . . . you dispense with long explanations and involved details.

The "Life Package" plan visualizes clearly a fixed set of benefits having popular appeal. Boost your income by offering the life-and-retirement protection of the "Paymaster Special." This is only one of many other profitable Columbus Mutual Package Plans in a sample portfolio ready for you now. Write today.

BENEFITS THIS "Paymaster" PACKAGE OFFERS

For Policyholder

Savings with a profit, plus a choice of income plans during his later years

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A cash payment, plus re-adjustment income, and special Christmas checks.

D. E. Ball, President

The COLUMBUS MUTUAL LIFE INSURANCE COMPANY
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ADJUSTERS! REDUCE YOUR FIRE CLAIMS!

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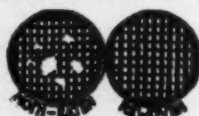
We reweave to perfection Burns, Stains and Damages in Rugs (Oriental and Domestic), Table Cloths, Tapestries, Wearing Apparel and Upholstered Furniture. Finest Cabinet Refinishing of Furniture burnt by cigarette.

All Work Guaranteed

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Est. 1910

5 North Wabash Ave. Bldg. 13th Floor Chicago
Phone: DEArborn 1693-4



We serve leading Companies and Adjusters throughout the Country. References gladly furnished.

★ FIVE DECADES OF SUCCESSFUL GROWTH

The present year, 1946, marks the 50th

Anniversary of the Star Insurance Company

of America—and we are sure that our

"Star" agents share the pride we feel in

the stability and prestige it has achieved

in a half-century of successful operation.

As we enter upon a second half century

of further growth, our sincere thanks are

extended to "Star" agents country-wide—

whose continued support we shall strive

to merit by adherence to high standard of

service, security and cooperation

for **50** years



STAR INSURANCE COMPANY OF AMERICA
Member of the ROYAL-LIVERPOOL GROUP

150 WILLIAM STREET, NEW YORK 5, N. Y.

in the past proved their capacity for public relations and similar work. The positive and definite support of each individual member is needed. A word of encouragement to the field men is required and requested. The work will be spread so that no individual field man will be unduly burdened. Not all of the field men are equipped to give speeches, but they can all contribute to some phase of the activity.

The association held its first session Tuesday morning and again met Wednesday morning. The committee on order of business of which John R. Cashel, Providence Washington, is chairman met Tuesday afternoon.

The committee on cooperation in loss adjustment practices in its report said premium income continues to rise but loss ratios at many points are higher than a year ago. The number of claims is on the increase.

Eliminating a large storm in 1945 and one storm this year there is an increase of 68% on small claims. Both adjusting organizations report a continual shortage of materials, serious labor conditions, government building restrictions and delay in replacement of various types of machinery are increasing business interruption losses. Many adjustments are difficult to complete because the assured desire to wait for improved conditions.

There is no uniformity in costs of automobile repairs.

The committee called attention to the

side door association of independent adjusters and agents which often brings dangerous complications. Companies should not delegate the assignment of losses where such associations are found. Companies need to study loss expense more carefully.

Agents and fieldmen are more and more referring all losses to adjusters when they know some losses are not covered. Adjusters report there is no liability and charge \$7.50 for each case. Field men should be instructed to give agents specific advice as to the expense of reporting such claims.

GROVE PARK PUTTS

Golfers were much disappointed at the condition of the course. There has been no rain for two months. The fairways are burned to a crisp and the greens are dry, hard and rough.

Geo. E. Freise, assistant secretary St. Paul F. & M. represented his company. He was formerly its field man in Kansas and Missouri.

S. P. Rodgers and W. F. Watson represented the Globe & Rutgers group.

The adjusting companies were well represented at the Asheville meeting. R. R. Lippincott and Gail Tilman represented Western Adjustment, T. A. Pettigrew was on hand for Underwriters Adjusting and Clarke Munn was the head man for the Cook County Adjustment Bureau.

The two new assistant managers of

the Western Underwriters Assn. were present—Kenneth Ogilvie and Wallace Rodgers. President Alvah Small was present for the Underwriters Laboratories, R. D. Hobbs came on for the Western Actuarial Bureau.

H. W. Larue, secretary of America Fore western department accompanied Manager E. A. Henne.

C. A. Ludlum, retired vice-president of Home, and the late John H. Washburn, vice-president of Home, are the only New York presidents the organization has had. Mr. Ludlum was present at this meeting.

President Stanley Kite of Manufacturers Fire of Philadelphia was on to attend the meeting.

Hartford Fire had a forceful delegation headed by vice-president C. H. Smith in charge of the western department. His conferees were Assistant Managers J. W. Burden, H. W. Donnan, L. E. Grigsby.

Phoenix of Hartford was represented by Vice-presidents Roy Eblen and Glen L. Pickens.

Mrs. Dorothy Holmes, whose late husband Bayard Holmes was head of the Hooper-Holmes Bureau of New York, called at the Grove Park to see some old friends. After Mr. Holmes' death she bought a home at Miami and has been living there until recently when she purchased a beautiful house at 15 Edgemont road, Asheville, and is now living there. Mrs. Holmes, as Dorothy Rolph, was for many years Denver correspondent of The National Underwriter. She became deputy insurance commissioner of Colorado and then commissioner.

H. L. Grider, Factory Association; E. A. Henne, America Fore; R. R. Lippincott and Gail Tilman, Western Adjustment, drove down to Asheville.

W. E. Newcomb, former W. U. A. assistant manager and now on the executive staff of Great American, accompanied Western Manager S. M. Buck to the meeting.

Assistant Western Manager Charles E. Dox of London & Lancashire represented that company.

Attorney Hayes McKinney of Chicago was present and received many expressions of sympathy in the death of his partner, Hendrik Folonje.

Marvin Brownlow of Underwriters Salvage Co., of Chicago was on hand.

Western Manager C. L. Allen of Aetna Fire attended his first W. U. A. meeting.

Uniform Printing & Supply Co. was the host at a delightful party Tuesday evening prior to the dinner. It was headed by Walter B. Reilly of Lowell, Mass., general manager. His conferees were P. W. Reilly and John F. Reilly, also from Lowell. W. H. Wightman and John F. Hickey of New York; F. C. Hoffman and Donald Rein, Chicago.

The ladies attending the convention were guests of W. U. A. Monday on a slight seeing trip.

Frank Regan, Sioux Falls, S. D., was the only general agent present.

E. L. Williams, president Insurance Executives Assn., attended the meeting.

Knopp Retires; Baldwin to Ill.

A. A. Knopp, state agent of New York Underwriters in northern Illinois, will retire on pension Nov. 1. He will be succeeded by Hale Baldwin, state agent in Iowa.

Robert B. Maxwell, special agent in northern Illinois, will take over Mr. Baldwin's former territory as state agent.

Mr. Knopp is a graduate of University of Minnesota. He was with Sanborn Map Co. and then went with Illinois Inspection Bureau. He opened the bureau's office at Mt. Vernon. He joined New York Underwriters in Missouri in 1914 and later traveled in North Dakota before entering the Illinois field in 1920. He was president of the Illinois State Board of Fire Underwriters in 1926.

Ohio Agents Meeting Notes

National Surety headquarters featured C. H. Cooper, New York, executive special agent, and Frank Middleton and J. K. Burns, managers at Columbus and Akron.

The statewide committee of sergeants at arms did a good job, particularly in getting the dinner going on schedule. The members were Tom Bartlett, North Baltimore; Robert Straus, West Milton; Robert Kridler, Fremont; B. B. Murfin, Portsmouth; George McNab, Jr., Youngstown; Paul Swartzel, Dayton; and H. J. Yergin, Lebanon. For the dinner, they were divided into three teams with respective duties of seating guests at the triple decked speakers' table, getting company headquarters closed and filling vacant seats and helping out the customer who could not find his dinner ticket.

How to Improve the Wind Record

G. W. Roerink, supervisor of North western National, writes:

"The article on page 1 of your September 5 issue on the subject of E. C. experience so far this year is a good one and it should be a reminder to everyone that E. C. is not so attractive as to justify further rate reductions.

"A timely follow-up to this article would be reference to the windstorm situation. The record on windstorm business has been bad consistently for years now and if our own loss ratio for the first six months of this year is any indication, it is continuing right on through to the present. There has always been a spread of at least 30 points in the loss ratios for all stock companies on windstorm as against E. C. as the following figures indicate. These are on a paid basis:


	WINDSTORM All Stock Companies	EXTENDED COVERAGE All Stock Companies
	%	%
1945	79.5	39.3
1944	80.1	40.9
1943	65.6	34.9
1942	64.5	26.7
1941	62.9	26.1

"Lest someone point out that windstorm volume has been declining (which is not true for 1945 and 1946 to date), our own windstorm loss ratio on an earned basis for the first six months stands at 65.7%. The average for all companies is probably higher.

"If E. C. has produced a much better record than windstorm, which is the largest single hazard in the E. C. contract, what is the reason? In our opinion the largest single factor is that agents and companies are not selling a reasonable percentage of insurance to value. Most windstorm and hail claims are partials and what is needed is a more equitable premium per policy than 50% insurance or per property to be able to cover the outgo occasioned by the steady drain of these small claims. Now while it is not too difficult to secure increases in policies agents should be urged by their companies to secure windstorm coverage of at least 50% of the present value. This will mean a fairly good sized increase in some policies but now is the time to make such adjustments.

"We had a case in Ohio not long ago where there was \$10,000 fire insurance on a dwelling and only \$500 windstorm insurance. This is a rather extreme case but it illustrates our point perfectly because when we asked the agent to increase the insurance to 50% of the value he told us in effect that there was a market for low insurance to value such as this risk and our policy was cancelled and written elsewhere. We have no doubt it was written by someone, for examiners and special agents do not seem to be aware of the necessity of securing enough premium per policy to pay the large number of these small claims, plus the adjustment expense that goes with them."

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3

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Klein Discusses New U. & O. Forms

(CONTINUED FROM PAGE 5)

where its premium cost is substantially lower than its cost elsewhere compared with the two-item form.

Since the new form No. 19-C promulgated in Ohio last February is the result of the pressure for a gross earnings form for manufacturing risks, Mr. Klein said its reception is being watched with keen interest to see if manufacturers will prefer it to the two-item form to the great extent that merchants have preferred their gross earnings form. He wondered whether the prediction that it will be a failure will prove correct because few manufacturers will purchase the form knowing that the minimum amount of insurance required includes 50% of ordinary payroll expense. He also wondered whether the proven unwillingness of most manufacturers to insure ordinary payroll is likely to change, influenced by the simplicity of the new form and its work sheet, the trend toward annual wage plans, state unemployment compensation funds, financed by the experience rating plan, such as applies in Ohio, and the possible demands of labor unions. Mr. Klein offered no answers to these questions. He said that since there is a far wider variation in the percentages of ordinary payroll and of the expense of heat, light and power to gross earnings as between manufacturing risks than is the case between mercantile risks, study of individual risks is of even greater importance among manufacturing risks.

Comparison on 80% Basis

If comparison of premium costs of the new form for manufacturing risks and of the two-item form is confined to the latter when written with 80% coinsurance it will be found that for the Ohio or other midwestern manufacturer who has not been interested in covering ordinary payroll, and whose combined expense for ordinary payroll and heat, light and power is less than 33% of gross earnings, the cost of the new gross earnings form with 50% coinsurance is lower, notwithstanding it provides him with coverage of all payroll, Mr. Klein pointed out. If the manufacturer has been carrying, or wishes to carry ordinary payroll coverage for 90 days, the cost of the new form is lower if his combined ordinary payroll and heat, light and power expense is less than 52% of gross earnings. Comparisons when 60%, 70%, and 80% coinsurance are under consideration for the new form are proportionate.

Mr. Klein pointed out that since, for the manufacturer located outside of the midwest area, the cost of the new form with 50% coinsurance is lower only when the corresponding percentages of ordinary payroll, and heat, light and power to gross earnings, are less than 19% and 30%, it is evident that the new gross earnings form presents its strongest cost appeal to midwestern manufacturers. Confirming this is the fact that the number of manufacturers who have thus far purchased the new gross earnings form in preference to the two-item form discloses that one in three midwestern manufacturers have preferred the new form whereas only one in 17 manufacturers in other territories have purchased it.

Allays Doubts on Coverage

Regarding recent doubts that have been expressed as to whether a manufacturer's ordinary payroll is covered under the new gross earnings form, Mr. Klein said the basis for the doubt is the reasoning that since the new form does not expressly state that due consideration shall be given to the continuation of payroll to the extent necessary to resume operations with the same quality of service as stated in the gross earnings form for non-manufacturing risks the coverage of the manufacturers' ordinary payroll cannot be compared with the

specific coverage provided by the two-item form. This doubt is not justified except on very narrow legalistic grounds, he said.

The new form for manufacturing risks, said Mr. Klein, was adopted with every intention of paralleling the coverage of ordinary payroll provided by the gross earnings form for non-manufacturing risks and the rates were fixed following a study of many manufacturing risks in respect of the relation between the expense of ordinary payroll and gross earnings. The reference to payroll found in the non-manufacturing risk form was

omitted from the manufacturing risk form as unnecessary and with no intention that its omission be construed as reducing the coverage of ordinary payroll below that provided by Item II of the two-item form. The coverage of a merchant's payroll in both Item II of the two-item form and in the gross earnings form is expressed in identical phraseology, namely that it is to the extent necessary to resume the insured's business with the same quality of service which existed immediately preceding the fire. Mr. Klein said he could not conceive of an insurance company pay-

ing less on account of ordinary payroll under either of the gross earnings forms than it would pay if the claim were under Item II of the two-item form, assuming the coinsurance requirements were satisfied in both instances.

FORM'S PECULIARITY

Citing a peculiarity of the new form which he said deserved special mention, Mr. Klein observed that the basis of coinsurance in the two-item form is the sum of net profit and the annual



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amount of all expenses except ordinary payroll and heat, light and power. The basis in the gross earnings form for non-manufacturing risks is total net sales less cost of merchandise sold, but in the new gross earnings form for manufacturing risks, the basis of coinsurance is the total sales value of production less cost of raw stock from which the production is derived.

Although it is fundamental in U. & O. that the manufacturer's earnings are produced at the time his product is manufactured and not at the time it is sold and delivered, the new form is the first policy form to state that the total sales value of production and not total annual sales or income as provided from work sheets, is the basis of determination of the amount of insurance necessary to satisfy the coinsurance requirement. The total sales value of production, which is a figure not usually recorded as such by manufacturers, can be readily determined by deducting from annual sales

the total selling price of finished goods on hand at the beginning of the year and adding the total selling price of finished goods on hand at the end of the year.

Difference in Work Sheets

This peculiarity of the new form should be borne in mind when filling out a work sheet, since some work sheets for the two-item form are based on annual net sales or income, which will differ considerably from the sales of finished goods produced during the year where a substantial amount of the goods sold were produced during the previous year.

The adoption of the gross earnings form for manufacturing risks is an event of far-reaching significance, said Mr. Klein, since it opens the way to the replacement of all existing forms by a single simple gross earnings form subject to appropriate endorsable modifications affecting the coverage of stock, depending upon whether the covered

risk is a manufacturing or non-manufacturing risk.

"The prospect, or dream, of replacing the existing forms A, B, C, D, E, F, G, and H with a single form is intriguing. I think you will agree," he said. "The translation of that dream into reality will be expedited if every opportunity be taken to make the gross earnings form satisfy the needs of every merchant and manufacturer and if, where it is rejected, the reason can be recorded for study and readjustment in coverage and rating methods."

Agreed Amount Gaining Favor

Because of the greatly increased difficulty, under present conditions, of predicting business earnings merchants have shown increasing interest in agreed amount coinsurance, whereby the possibility of coinsurance penalty is eliminated so long as the agreed amount of insurance is maintained, Mr. Klein said. In support of the argument that freedom from the possibility of a coinsurance penalty is worth all of the 5% rate increase asked for the clause, he pointed out that according to figures released by Western Adjustment & Inspection for U. & O. losses adjusted between Dec. 7, 1941, and Dec. 31, 1945, 151 out of 295 losses, involving losses totaling \$13,374,000, the total of the coinsurance penalties was \$4,164,000 or 31% of the total of the actual losses sustained. The individual penalties ranged from 2% to 90%.

Mr. Klein said that he was confident that many more merchants would purchase agreed amount coinsurance if it were brought to their notice. It should be made available to manufacturers also, he said, adding that if agreed amount coinsurance were actively promoted for all classes of risks much of the pressure for a reporting form or adjustable premium contract would be relieved, since it has been his observation that such pressure stems quite as much from the buyer's wish to be free of the necessity of complying with a percentage coinsurance clause as from his desire for the adjustment of premium to the amount of insurance shown to have been actually needed.

In this connection Mr. Klein pointed out that the adjustable premium contract first promulgated for stock companies in Pennsylvania just a year ago, and since then promulgated in other states except in the midwest, can be regarded only as a trial balloon. Requiring compliance with 100% coinsurance, with return premium, if any, allowed at expiration on the basis of 80% coinsurance rate, and subject to a minimum annual premium of \$500, its excessive cost destined it to the failure it has proven to be, he said. Studies looking toward the development of a more acceptably drawn and priced adjustable premium contract are under way.

The problem is not as simple as it appears. Until it is solved merchants are fortunate in having agreed amount coinsurance available and manufacturers will do well to somewhat overinsure anticipated earnings, avoiding the dangerous 100% coinsurance clause. The recent actual experience of a manufacturer who would have recovered \$13,500 additional on his loss had his insurance been written subject to the 80% instead of the 100% coinsurance clause for an additional premium of only \$67.50, demonstrates that the 20% leeway afforded by the 80% coinsurance clause is worth the increased rate.

Discusses Extra Expense

Discussing the place of extra expense insurance, Mr. Klein warned that its use in lieu of U. & O. is hazardous when outside aid is the only means of continuing business. Even when the insured has several plants normally capable of mutual assistance, extra expense insurance may not be a dependable substitute for U. & O. In some instances the purchase of extra expense insurance in addition to U. & O. will prove to be a wise investment, since the expediting expense necessarily incurred by the insured to continue business may exceed

the amount recoverable from his U. & O. insurance, in which event extra expense insurance becomes excess insurance above the amount recovered from U. & O.

Discussing the 30-day limitation in the raw stock coverage, Mr. Klein said that in the territories in which coverage of raw stock has for some time been on the same 30-day basis that now applies in midwestern states the very great majority of manufacturers have been satisfied with the 30-day limitation even during the war time periods of greatest shortages of materials. He said that no doubt midwest manufacturers will be equally satisfied, bearing in mind that the additional premiums that many have been paying at the 30% increase in rate which has been included in the published rate because of the war is now sufficient to pay for 90 additional days of raw stock coverage, namely a total of 120 days' coverage under the new form.

The arrangement of raw stock coverage, he said, is based on the assumption that the insured will place orders for materials to replace the destroyed raw stock immediately following the date of loss. Hence liability for raw stock coverage begins with the date of loss, whereas in the case of stock-in-process coverage the 30 days which are covered without charge date from the time building, machinery and raw stock are ready to produce, since the re-manufacture of stock in process manifestly cannot begin until the plant is ready to operate.

Mr. Klein said that under the revised blanket coverage rule, the words "other property" in the rule's mention of the privilege of including in the coverage of the insured's direct U. & O. policy, any location where the insured has "other property," are causing confusion. He said it was his understanding that these words authorize the extension of the policy on the insured's plant only to cover locations of others where the insured has raw stock, stock in process, or products owned by the insured. They are not intended to authorize the blanketing of the insured's plant with plants of others furnishing materials to the insured, which would be the equivalent of writing direct and contingent coverages blanket in the same policy.

May Be Ahead

Mr. Klein said that some day such blanket coverage will doubtless be available, particularly where the insured's own plant is completely dependent upon the services performed for him by others, and therefore, both his direct and contingent insurable interests require the same amount of insurance. Since manufacturers are reported to be reviving subcontracting and decentralization of production because of shortages of labor, materials, and employees' housing, the opportunities for the sale of contingent U. & O. should be as numerous as they were during the war years when subcontracting was at a record level, Mr. Klein said.

Reiterating some of the possible future developments in U. & O. which he first discussed at the meeting last March of the insurance section of the American Management Assn., Mr. Klein listed these as one simple basic form of gross earnings type to replace all existing forms; agreed amount coinsurance for manufacturers; a practicable adjustable premium contract; blanket coverage of direct and contingent insurable interests; coverage of consequential U. & O. losses caused by deterioration of raw materials in the open while the factory is shut down by property damage; coverage of consequential U. & O. losses caused by cancellation of leases, licenses and contracts resulting from property damage; policies on seasonal hotels, canneries, and public warehouses extended to cover loss sustained beyond the time required to rebuild or replace the destroyed property; raw materials to be automatically covered under the plant policy while such materials are in transit to the insured's plant; and automatic coverage of raw materials at duly acquired locations subject to monthly reports of locations.

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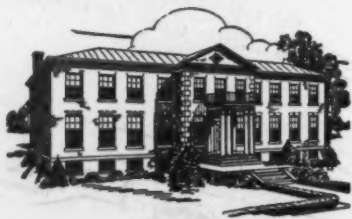
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To Treat Topics of Hour at Mutual Agents Gathering

WASHINGTON—The program of the National Assn. of Mutual Insurance Agents annual convention at the Hotel New Yorker, Oct. 14-16, will be devoted almost entirely to panel discussions of problems arising in the operation of agencies, Philip L. Baldwin, executive secretary, states. The convention slogan is "A Meeting for Agents and by Agents."

The convention will start with a luncheon Oct. 14, the principal speaker being James C. O'Connor on "The Agent of Tomorrow."

Ambrose Kelly, Washington representative American Mutual Alliance, will speak on the social insurance situation, touching on problems presented by passage of the railroad retirement bill with its non-occupational disability benefit feature, by the drive for compulsory national health insurance, social security amendments proposed, etc.

For the afternoon, Oct. 14, a panel discussion of problems of mutual insurance is scheduled, with executives of mutual agency companies and past presidents of the N.A.M.I.A. participating. Among these are H. J. Pelstring, president Pennsylvania Lumbermen's Mutual Fire; John Arnold, vice-president National Retailers Mutual; John Gunn, president Employers Mutual Casualty. Ambrose Kelly will lead in the discussion.

The following morning there will be a panel discussion of management, led by Wayne Barker, Nashville. Sales experts will speak, followed by a panel discussion of agents' advertising and sales ideas, led by Hugh H. Murray, Jr., Raleigh.

That afternoon the panel subject will be appraisals and valuation, discussion of which will be led by John K. Roll, Mutual insurance agency, Washington, the principal speaker being Paul L. Whittington, manager Baltimore-Washington office American Appraisal Co. Next will be a panel on survey selling, led by Benjamin G. Sager, Cleveland.

The morning of Oct. 16 will be marked by panel discussion of adjusting problems, led by Gordon Davis, manager loss research division American Mutual Alliance, Chicago. Following will be panel discussion of capacity for larger lines by Improved Risk Mutuals, led by Howard F. Russell, its general manager.

The final afternoon, Public Law 15 and the report of the all-industry committee will be discussed, under leadership of Chase Smith, general counsel Lumbermen's Mutual Casualty. It is hoped to have a speaker in opposition to the report and model bill.

Mutual Group Set for Office Methods Meeting Sept. 20-21

The automotive and casualty section of the National Association of Mutual Insurance Companies will hold an accounting and office methods conference at the Stevens Hotel in Chicago Friday and Saturday, Sept. 20-21. C. M. Montgomery, Celina, O., assistant secretary Celina Mutual, is chairman.

The Friday program consists of a discussion on state rating laws and casualty statistics by G. L. Reichert, Shelby, O., assistant treasurer Shelby Mutual Casualty; compiling the casualty exhibit by E. L. Brandt, Lansing, comptroller Auto Owners; determination of current underwriting results by B. G. Brown, Bloomington, Ill., comptroller State Farm Mutual, and handling of cash journals and general ledgers on mechanical equipment, by C. H. Malan, assistant manager insurance department International Business Machines Corp. On Sat-

urday, R. S. Icks, Lansing, vice-president Auto Owners, will make the introductory remarks and E. A. Rule, Columbus, office manager Farm Bureau Mutual, will discuss process charts in streamlining office operations; T. F. Campbell, Bloomington, vice-president State Farm Mutual, will speak on criteria for establishing policy writing branch offices and J. F. Zimmer, Lincoln, secretary Capital Fire, on renewing policies by certificate. The meeting will close with an open forum, the participants being Messrs. Campbell, Rule, Icks and Zimmer and A. A. Alderfer, Harleysville, Pa., secretary Harleysville Mutual Casualty.

Maine Meeting Oct. 16-17 at Poland Springs

The convention of the Maine Assn. of Insurance Agents will be held Oct. 16-17, at the Mansion House, Poland Springs.

Overseas Visitors at N. Y.

Lord Stanley Cornwallis, chairman of the London board of Royal and member of the head office board of that company, and C. F. Trustam, general manager of Royal and Liverpool & London & Globe, are in this country on a visit with the U. S. head office executives.

Lord Cornwallis attended a board meeting Tuesday of Virginia F. & M., a Royal-Liverpool company, at Richmond. Claude Minor, president of Virginia F. & M., was host at a country club dinner.

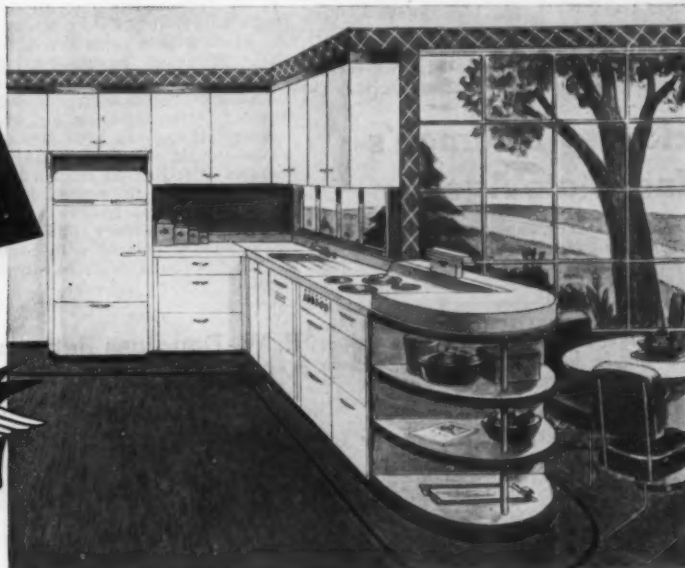
Indiana Pond Meets Sept. 24

As has been the custom for some time, Indiana Blue Goose will hold its first fall meeting at Morris Park Country Club, South Bend, Sept. 24. There is a good prospect that a puddle will be formed for the South Bend area at that meeting, as about 30 members live in the South Bend area. Golf will be followed by a dinner and business meeting.

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NEWS OF FIELD MEN

J. M. Greene to Pa. for Crum & Forster

John M. Greene, who recently left the navy with the rank of lieutenant-commander, has returned to Crum & Forster and has been appointed state agent in Pennsylvania. His office is in the Lafayette building, Philadelphia.

Mr. Greene joined Crum & Forster in 1935 after a number of years with the New Jersey Schedule Rating Office as an engineer. Before going into the navy in 1943 he assisted the state agent in southern New Jersey territory. Pending Mr. Greene's return from the navy, his territory has been handled by W. J. Battershall in addition to his own territory in northeastern Pennsylvania.

Harvey Firemen's Ind. State Agent

R. B. Harvey has joined Firemen's as state agent in Indiana, succeeding H. H. Derrick, who has resigned to enter the local agency business at Muncie, Ind. Mr. Harvey will represent Firemen's and Girard F. & M. He is an Armour fire protection engineering graduate and got his first experience with the Indiana Inspection Bureau. Most recently he has been traveling for General of Seattle in Indiana.

Also Firemen's has sent into the Indiana field, Roy C. McCormick, who will assist M. B. Yager, state agent for National-Ben Franklin, Concordia and Milwaukee Mechanics. Mr. McCormick has been gaining underwriting experience in fire and casualty in the western department at Chicago.

Jackson Aetna Kan. State Agent

J. A. Reed, Kansas state agent of Aetna Fire, has been granted an extended leave of absence due to ill health. This action is taken by request of Mr. Reed due to his physician's advice. Mr. Reed has been with Aetna in Kansas since 1922.

F. M. Jackson has been appointed Mr. Reed's successor as state agent of Kansas. He has been with the Aetna group nearly 22 years, having rendered field service in Nebraska the past nine years. He will have associated with him L. H. Stoehr, present special agent in Kansas.

Jesse Benson has been appointed Nebraska special agent as successor to Mr. Jackson. Mr. Benson returned from two years service in the armed forces early this year and has had 14 years experience in local agency and field work. He will be associated with State Agent H. W. Lindquist with headquarters at Omaha.

R. W. Douglass Returns to Mich. Field for American

Raymond W. Douglass has returned to American as special agent in Michigan. He previously traveled for American during 1941 and part of 1942, at which time he joined the army as a commissioned officer. For a time, Mr. Douglass will assist both State Agent Pierson and Special Agent Jennings in

their respective fields, and will make his headquarters at 123 South Grand avenue, Lansing.

Mr. Douglass is a graduate of Northwestern University, and has had 14 years' insurance experience. He returned to the Rockford office several weeks ago, and has undergone a refresher course.

Nordell to N. Y. Underwriters

Walter Nordell has joined New York Underwriters as special agent with headquarters at St. Paul. He is a navy veteran and prior to the war was special agent in Iowa for Crum & Forster.

Dorsett Resigns Ind. Field Post

J. Bruce Dorsett, Indiana state agent of Homeland and special agent of Commonwealth, Mercantile, North British & Mercantile and Pennsylvania, has retired due to the condition of his health.

Muckel Honored by Pond

John A. Muckel of East St. Louis, a retired adjuster for Western Adjustment, who still works in emergencies, was presented a life membership in Blue Goose International at the first fall meeting of the St. Louis pond Monday. He was initiated into Blue Goose April 26, 1919. Delegates to the recent grand nest meeting in New York City reported.

Fuller N. H. Vt. Special Agent

Wolcott H. Fuller has been appointed special agent for Hartford in New Hampshire and Vermont. He joined the company in 1935. He served during the war as an instructor in the AAF. In his new position Mr. Fuller will aid Walter Davol, special agent at Manchester, N. H., in supervising the two-state territory. His headquarters will be with Mr. Davol at 814 Amoskeag Bank building there.

Name V. J. Conlan in Kan., Neb.

Dubuque F. & M. has named Vincent J. Conlan special agent for Nebraska and Kansas, with headquarters at 309 Land Bank building, Kansas City, Mo. Mr. Conlan has for 10 years been with the company's underwriting and inland marine departments. He served four years in the army. In his new duties Mr. Conlan will work with State Agent Harry Beringer.

Wescott to N. J. for Glens Falls

Glens Falls has transferred Special Agent Ralph E. Westcott to northern New Jersey, where he will take over the duties of Robert P. Crawford, who will be assigned to the home office.

Mr. Westcott joined Glens Falls in 1920, serving in various positions in the home office, including fire underwriting. He later became manager of the agency department until being given a field position. He has been traveling in Connecticut and western Massachusetts. His new headquarters will be in the Military Park Building, Newark.

Springfield Revamps N. J. Field

A rearrangement of the New Jersey field has been completed by Springfield F. & M.

S. Gage Lewis resigned to become assistant general manager of the New Jersey Fire Insurance Rating organization. His place in the northern New Jersey field has been taken by Theodore F. Angell, who recently returned from military service and has been traveling in southern New Jersey.

Arthur D. Benedetto, formerly in western Pennsylvania, succeeds Mr. Angell in southern New Jersey.

Mr. Angell and Mr. Benedetto are located at 31 Clinton street, Newark.

Home Nest Has Annual Outing

MILWAUKEE — The Wisconsin home nest of Blue Goose held its annual outing for members and their families at Kletsch Park north of the city

Saturday. About 120 attended and took part in program of sports and games and a corn roast luncheon. The veteran field men's baseball team beat the younger men's team. Robert Halmer, Connecticut Fire, was chairman of arrangements.

T. A. Hites, state agent Boston and Old Colony, most loyal gander, announced a stag luncheon will be given by Wisconsin home nest at hotel Schroeder Oct. 19.

Vorse Opens Wichita Office

J. L. Vorse, new western Kansas state agent of the Royal-Liverpool group, is opening his Wichita office at 128 North Main street. Before the war he was associated with the Eberhardt-Fitzpatrick agency, Salina.

Fontaine Appointed at Fresno

J. P. Fontaine has been named special agent by Founders Fire & Marine with headquarters in Fresno.

Fireman's Fund Eastern Changes

H. A. Thompson has been appointed Philadelphia manager of Fireman's Fund. He has been special agent in the Philadelphia metropolitan and southern New Jersey district for 14 years. He will be assisted by L. S. Larsen and Milton E. Walters as special agents. Mr. Larsen will concentrate in the Philadelphia suburban and south Jersey areas while Mr. Walters will work in the city of Philadelphia.

Statistical Board to Meet

The directors of the Insurance Accounting & Statistical Association will meet at the Edgewater Beach Hotel, Chicago, Sept. 20-21. The president is H. J. Stowe, assistant actuary of Manufacturers Life of Canada.

The Michigan Blue Goose golf outing at Greenidge Country Club, Grand Rapids, has been postponed to Sept. 27. The date was changed from Sept. 24 because of a fire prevention meeting at Manistee Sept. 25.

The Fire Prevention Assn. of Ohio will inspect Lebanon Sept. 26, Sidney Oct. 16 and Elyria April 10.

COMPANIES

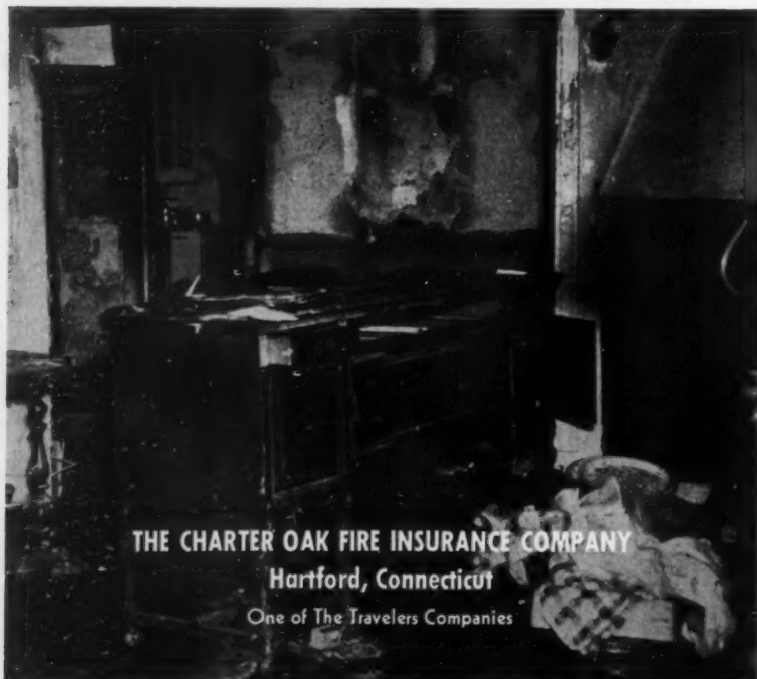
Expects to Get New Miss. Insurer Started by Jan. 1

Ben O. Logue, Jackson, who has been Mississippi state agent of the Henry A. Steckler general agency of New Orleans, states that he expects to have Magnolia Ins. Co., and Magnolia general agency in operation by the first of the year. The proposed capital-surplus of Magnolia Ins. Co., is \$450,000, but it may start operations with a minimum of \$100,000 capital and \$100,000 net surplus. Magnolia Ins. Co. will write fire and allied lines and Magnolia general agency will represent all types of companies.

He states that satisfactory reinsurance arrangements are being made. The organizers and directors are W. A. Miller, Hazlehurst; Hugh L. Stancill, Drew; R. E. Bobo, Clarksdale; W. J. Granberry, Pascagoula; G. M. Lester, Jackson; E. H. Bagot, Pascagoula; R. I. Norman, Cleveland; Emery F. Sadler, Biloxi; J. E. Henry, Tunica; L. O. Heiden, Jackson; J. L. Maxwell, Drew; James A. Alexander, Jackson; N. L. Swayze, Yazoo City; W. I. Dement, Jackson, and Mr. Logue.

Cherokee Amends Charter

NASHVILLE—Records of the secretary of state show that Cherokee Fire, which recently obtained a charter of incorporation providing for 10,000 shares of stock at \$10 per share and 10,000 shares at no par value, has secured an amendment which provides for \$150,000 capital stock with 30,000 shares at \$5 per share. Justin Potter signed the amendment as president and D. K. Wilson as



THE CHARTER OAK FIRE INSURANCE COMPANY
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1794

152ND ANNIVERSARY

1946

THE INSURANCE COMPANY
STATE OF PENNSYLVANIA

308 WALNUT STREET, PHILADELPHIA 6, PA.

ended and to the secretary. An announcement of the company's plans will be made next week.

Butler Secretary of Dixie

Directors of Dixie Fire have named Paul Rutter, secretary of the other three companies of the American group, to a similar position with Dixie.

NEW YORK

FILL HANNERS' VACANCIES

To fill vacancies created by the retirement of A. Ross Hanners, O. Tregaskis, Sun, has been appointed a director of the New York Board of Fire Underwriters; O. C. Gleiser, Commercial Union, has been appointed to the committee on finance, and W. A. Miner, Phoenix of London, to the committee on losses and adjustments.

1946 ALMANAC PUBLISHED

The 1946 edition of the "Insurance Almanac," published by the Weekly Underwriter, has now made its appearance. This is a volume that is put to constant use by many active insurance men. It is a volume of 1,298 pages, and contains a wealth of data about insurance companies of all types, biographical material about individuals, and insurance associations, national, state and local.

FETE BERTHOLD HARRIS

Berthold M. Harris, who has completed 30 years as executive secretary of the Insurance Brokers Association of New York, was guest of honor at an informal luncheon of past presidents. Of the 11 living past presidents under whom Mr. Harris has served, Frederick S. Little, Louis J. Rice, Carlton O. Pate, Reuben E. Kipp, and Lester D. Egbert attended. Mr. Little is dean of the group and Mr. Egbert is now the president.

CUSHMAN BACK FROM DOWN UNDER

W. F. Cushman, fire underwriter of American Foreign Insurance Assn., has returned to New York from a trip to Australia and New Zealand. In Australia Mr. Cushman installed Robert A. Cameron as Australian general manager and Robert Barnes as his assistant.

CHICAGO

C.P.C.U. ELECTS OFFICERS

The Chicago chapter of C.P.C.U. held its first fall meeting this week and elected new officers. Plans for the coming year were discussed, including expansion of the insurance educational program inaugurated for assisting candidates for the C.P.C.U. award through new courses recently announced as available at the Illinois Institute of Technology.

New officers are: R. B. Ayres, president, agent Aetna Casualty; M. E. Her-

BOND MANAGER

An old established Fidelity and Surety company has an opening in their Midwest office for an experienced man to take charge of their Bond Department. This is an excellent opportunity for a man to become identified with a good organization.

FERGASON PERSONNEL

Insurance Personnel Exclusively

166 W. Jackson Blvd., Chicago 4, Ill.

zog, vice-president, broker Engelehard & Co.; M. G. Young, secretary, manager history department Zurich, and R. M. Jabbitt, Jr., treasurer, assistant vice-president Joyce & Co.

Next month, the chapter will be host at a luncheon meeting to the annual convention of the National Society of C.P.C.U. in the Bismarck hotel Oct. 20-21. The luncheon will be open to all insurance men in honor of the new C.P.C.U.'s in the Chicago area. Dr. H. J. Loman, dean American Institute, will award diplomas to those successfully completing the examinations.

HOTEL LOSS \$86,500

The Cook County Inspection Bureau reports that the loss to the Warner hotel, Negro hostelry at 3301-11 South Cottage Grove avenue, amounts to \$86,500. There was \$95,000 insurance on the building and the loss estimate is \$57,000; there was \$13,000 on contents and the loss is estimated at \$8,667 and there was \$62,500 insurance on rent with loss estimated at \$20,833. The fire originated on the seventh floor of this eight story building and is believed due to careless disposal of a cigarette. It was necessary for the firemen to carry hose up narrow inside stairways that were being used by the occupants evacuating the hotel. The bureau states that even in the light of the recent La Salle hotel tragedy, no action was taken by this assured to place the protective equipment installed in this overcrowded hotel in proper working order. Also the importance of proper maintenance of all fire protective equipment cannot be over-emphasized.

MARINE

Am. Market Expects 50% of Cover on 64 C-3 Ships

NEW YORK—At least half and perhaps more of the insurance on the 64 C-3 cargo vessels which the maritime commission has allocated to 10 steamship lines will be handled in the American hull insurance market according to sources here. This is in spite of the fact that London rates have been cut under American rates. Since the government usually takes a substantial mortgage on the ships it sells, government policy on the placement of insurance affects the situation. If the London rate is about ¾% under the American, the maritime commission considers that 75% of the insurance should be placed in the American market. If the difference in rates is 1% or more, the business goes to London.

Vessels to Be Insured

B. K. Ogden, chief of the maritime commission's insurance division, says that the 64 vessels recently allocated to steamship lines will be insured for the statutory sales price of \$1,280,730 or the floor price, whichever is higher. A minimum total of \$80 million insurance coverage will thus be handled, with 12 C-3 vessels yet to be allocated. Since owners are free to insure whatever they think is the value of a ship, the total will doubtless be much higher.

If replacement cost is the basis of evaluation, for instance, the insurance will be well beyond the sales price. Many of the vessels in this group, moreover, are scheduled for costly modification. Even without modification, a ship in operation is worth considerably more than a cold ship. This means that the government minimum on insurance to be carried has about as much operative effect as the minimum wage law has these days.

Old Colony is now writing marine insurance in British Columbia through

Macaulay, Nicolls & Maitland of Vancouver.

Tinnin Named by Home

LOS ANGELES—Jack W. Tinnin has been appointed special agent in the marine department here of Home. Before the war, in which he served, he was associated with the company at Houston. Following release from service he took the course in the veterans' school conducted at the home office and then was transferred to Los Angeles.

Thatcher Marine Secretary

LOS ANGELES—Hamilton Thatcher, Jr., who recently joined Founders Fire & Marine in the marine department, has been appointed its marine secretary.

Arnold Is Marine Manager

George Arnold has been appointed manager of the ocean and inland marine department of the General Agencies of New York in San Francisco—general agents for the Rhode Island. He goes from the New York office.

Mont. Bars P. F. as Casualty Line

Commissioner Holmes of Montana has issued a ruling that casualty com-

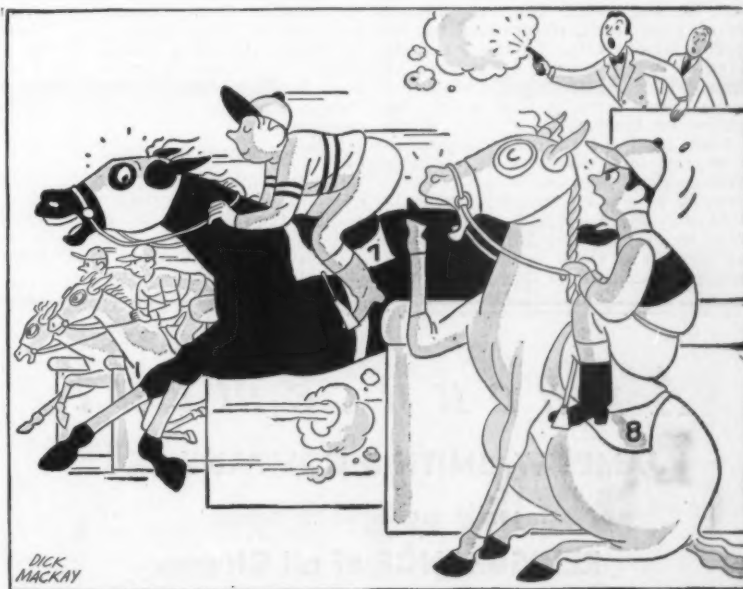
panies may not write the personal property floater in that state. Apparently some of the companies have felt that opinions of the attorney general permitting casualty companies to write automobile fire insurance as part of a full coverage automobile insurance package implied that casualty companies could write the P.P.F. Not so, Mr. Holmes advises. He cites an opinion of attorney general in 1937 pointing out that a fire insurer is expressly prohibited by section 6137 from writing liability insurance and that if a fire insurer may not write liability cover, it follows that a casualty company may not write fire insurance.

Roberts Marine Claim Head

Donald R. Roberts, American, has been elected president of Inland Marine Claims Assn. of New York. Vice-president is Clifford E. Bruce, National Surety Marine; secretary, Howard Nagelsmith, R. F. Tierney, and treasurer, Harold S. Daynard, Jones & Whitlock.

The first meeting of the season will be Sept. 17.

O. H. Fritz has established a new local agency under his own name in 502 Exchange building, La Crosse, Wis.



Left at the Post

...And good horse sense! Why work yourself into a lather just to get a wreath of flowers around your neck? Most people like having their efforts well rewarded. Team up with an appreciative company...like the Phoenix-London Group, where every consideration is given to those troublesome problems which constantly arise.

Phoenix-London GROUP

55 FIFTH AVENUE · NEW YORK

PHOENIX ASSURANCE CO., Ltd.
IMPERIAL ASSURANCE COMPANY
COLUMBIA INSURANCE COMPANY
UNITED FIREMEN'S INSURANCE CO.
THE UNION MARINE & GENERAL INSURANCE CO., Ltd.
LONDON GUARANTEE & ACCIDENT CO., Ltd.
PHOENIX INDemnITY COMPANY

Handling Claims on Tourists in Mexico Looms as Problem

The problem of handling claims and giving coverage for motorists making extended trips into Mexico is becoming a pressing one as the volume of this traffic mushrooms. Claims, particularly bodily injury and property damage, are the chief headache. The cost of settlement is usually not out of line but the difficulty of getting competent adjusters has proved baffling thus far. It would be impracticable to send an American adjuster to settle claims in Mexico beyond the border area and even if it were not for the cost a foreigner would be at a disadvantage.

One solution that has been advanced is to acquire Mexican adjusting facilities either on a per-claim basis or through reinsurance with a Mexican company. Mexican authorities have indicated informally that there would be no objection to American companies having American supervisors in Mexico to oversee the general handling of claims.

Travel Is Heavy

It is not generally realized how heavy the tourist trade to Mexico has become since the war ended. There are a number of good roads, some extending far beyond Mexico City. There are already seven Mexican companies licensed in Texas which sell Mexican liability coverage for 75 cents to \$1.25 a day, depending on the limits.

Aside from the adjusting problem it is usually less expensive to settle a Mexican claim than one in this country. There is a limit on recovery for death of \$4,700. Added to this is the fact that most Mexicans above the peon grade will not file a claim against an automobile owner because they fear it will

lower their social standing. Even among the peons there is a strong reluctance to accept anything more than the cost of a funeral, on the ground that it would be profiting from someone's death.

North America's Solution

The North America has solved the adjustment problem through its arrangement with La Azteca. Under this setup notice of an accident can be filed with La Azteca for policyholders of the North America.

One reason why adjusting facilities are so urgently needed for American tourists is that without these the motorist who is involved in an accident is subject to criminal penalties if he doesn't settle up. In fact, if there are no claim facilities he can turn to he is usually better off to settle on his own hook in order to keep out of trouble.

Cost Analysis to Be Made by Brooklyn Brokers

A committee to gather statistics on the cost of writing policies in the fire and casualty field was formed at a meeting of the Brooklyn Insurance Brokers Assn. Costs will then be compared with commissions. When completed it is planned to submit the report to the New York state department as a basis for raising commission percentages. Co-chairmen of the committee, appointed by Thomas J. Clark, president of the association, are Thomas J. Coyle, Alfred I. Jaffe, Frank C. Meyer and Charles Morante. They will work in close connection with Max A. Pulver, chairman of the special service committee.

Golf Tournament Scheduled

About 40 members attended the luncheon and business meeting which inaugurated the fall program of the association. An early item on the agenda is a golf tournament and dinner at the Rockville Country Club.

Spore Is Fireman's Fund S. W. Texas Special Agent

Fireman's Fund has appointed Stanley Spore as special agent in southwestern Texas territory, with headquarters at 1003 South Texas National Bank building, San Antonio. He succeeds Herbert Yarbrough, who died July 12.

A native of Texas, Mr. Spore was educated at the University of Texas. He was first employed by the Texas insurance checking office. Four years later he went with the Texas department on the rating squad, leaving the department in 1940 after two years service to become special agent in the Houston territory.

Mr. Spore was in the army, becoming a captain. He served in the European theater.

J. P. Winchester to Ga. Field for National Union

John P. Winchester has been appointed special agent for Georgia by National Union, effective Sept. 16. His office will be in the Trust Co. of Georgia building, Atlanta. Except for three years duty in the armed forces he has an unbroken record of many years' service in the insurance business.

Third Large Ga. Hotel Loss

The series of destructive fires in north Georgia resorts was swelled by burning of the Mountain Ranch hotel at Helen. Connahaynee Lodge on the Tate Mountain Estates burned early this year with loss over \$100,000, then the Young Harris hotel with \$50,000 loss. The Mountain Ranch hotel loss brought the total to over \$250,000.

Hoadley Heads Lansing Agents

LANSING, MICH.—DeWitt Hoadley, of the Dyer-Jenison-Barry and Lansing Insurance Agency organization, was elected president of the Lansing Association of Insurance Agents succeeding Charles E. McBride of the Ammon-McBride-Moore agency. Other new officers are: vice-president, Eugene Houck; secretary-treasurer, Harry LeBuda, reelected.

Gaillard Insurance Manager

ATLANTA—The Gene Craig Realty Co. has appointed Gene P. Gaillard as manager of insurance department. He was connected with Southeastern Underwriters' Association and the Southern Fire & Marine before entering the army in 1942, and until recently was with National Union Fire as special agent. He is a well known golfer and won the Bobby Jones memorial trophy in 1940.

To Review 2% Surcharge

MINNEAPOLIS—At the annual meeting of the Insurance Agents Assn. of Minneapolis Arthur P. Smith and John T. Baxter of Wirt Wilson & Co. were reelected directors. Tom von Kuster, David C. Bell Investment Co., was elected as a new director. They and the holdover directors will elect the officers.

The justice of the 2% surcharge on fire insurance premiums to aid firemen's relief associations was brought up and a committee named to study it. There is disagreement as to whether insured should be compelled to pay for such benefits alone.

Louisville School Under Way

LOUISVILLE—The Louisville insurance school got off to a good start Monday night with a full attendance of 60 students. The meetings will continue through the winter and spring. George C. Gibson, L. & L. G., is director.

Richard E. Farrer, N.A.I.A. educational director, spoke at a kick off meeting. George E. Burke, president of the Louisville Board, was chairman of the meeting; Andrew Hite, chairman of the educational committee, was also on the program.

North America Again Wins "Oscar" for Annual Report

For the second time North America has been awarded the "Oscar of Industry," its annual report for 1945 having been selected as best in the insurance industry, other than life. The award will be presented at a banquet at the Waldorf-Astoria hotel, in New York City, Oct. 4.

"Financial World" sponsors the awards, based on its annual survey of stockholders' reports. More than 3,400 companies and 80 different industries submitted entries in the competition.

Overhaul Kentucky By-Laws

LOUISVILLE—The Kentucky Fire Underwriters Association approved a new constitution and by-laws, which will conform with Public Law 15. There was also discussion relative to the new tobacco forms. Hereafter the annual meetings will be in June instead of November, or at the same time that the Fire Prevention Association and Blue Goose elect officers.

Miller and Scholtz Form Agency

Two former service men, English Miller and Jos. Scholtz, Jr., have formed the new Miller, Scholtz agency, 245 Starks building, Louisville. They were formerly solicitors in the Sterling G. Thompson agency.

W. A. Alexander & Co. Course

About 50 persons consisting of those with any supervisory duties in the W. A. Alexander & Co. agency, Chicago, are attending a course in basic economics. They are divided into two groups and each group meets alternate Tuesday afternoons from 4:15 to 5:30. The teacher is William H. Stevenson, economic consultant. The agency is paying the tuition of \$50 per person. There will be 12 sessions of each group. This is part of the agency's supervisory and leadership development program.

Julian Johnston Fleming, Jr., head of the Fleming-DeLeuil agency, Louisville, was married to Miss Isabel McMeekin Kopmeyer, Louisville. Mr. Fleming's father was Julian J. Fleming, who for years was a prominent insurance man.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, Sept. 9, 1946

	Bid	Asked	Div.
Aetna Casualty	92	95	3.00
Aetna Fire	55	57	1.80*
Aetna Life	48	50	1.60*
American Alliance	20	21 1/2	1.00*
American Auto	29	31	.80
American Casualty	10	11	.60
American Equitable	17	19	1.00
American (N. J.)	17	18	.70*
American Surety	61	63	2.50
Baltimore American	6 1/4	6 3/4	.30*
Boston	70	73	2.10*
Camden Fire	23	25	1.00
Continental Cas.	49	51	2.00*
Fire Assn.	58	60	2.50*
Firemen's (N. J.)	12	13	.50
Fireman's Fund	102	105	3.00
Franklin Fire	21 1/2	23	1.00
Glens Falls	50	52	1.85*
Globe & Republic	8 1/4	9 1/4	.50
Great Amer. Fire	29	31	1.20*
Hanover Fire	27	28 1/2	1.20*
Hartford Fire	113	115	2.50*
Home (N. Y.)	28	29	1.20
Ins. Co. of N. A.	95	97	3.00*
Maryland Cas.	14 1/2	15 1/2	...
Mass. Bonding	86	89	4.00
National Cas.	25	27	1.25*
National Fire	54 1/2	56	2.00
National Lib.	6 1/4	6 3/4	.30*
National Un. Fire	155	160	5.00*
New Amsterdam Cas.	29 1/2	31	1.00
New Hamp.	51	53	1.00*
North River	23	24 1/2	1.00*
Ohio Cas.	36 1/280
Phoenix, Conn.	85	87	2.00*
Preferred Accl.	13	14	.80*
Prov. Wash.	37	39	1.40*
St. Paul F. & M.	70	72	2.00*
Security, Conn.	34	36	1.40
Springfield F. & M.	115	117	4.75*
Standard Accl.	31	33	1.45
Travelers	605	615	18.00
U. S. F. & G.	45	47	2.00*
U. S. Fire	55	57	2.00

*Includes extras.

Announcement

JAMES W. SMITH & COMPANY, INC.

recently organized to handle

REINSURANCE of all Classes

announce the opening of offices

in Kansas City and New York

Dwight Building 1004 Baltimore

Kansas City 6, Missouri

Telephone GRand 5499

New York City New York

(opening October 1, 1946)

NATIONAL INSPECTION COMPANY CHICAGO, ILLINOIS

Service to Stock Fire Insurance companies for 41 years.
Inspections and Underwriting Reports.

J. G. Hubbell, { Managers
H. B. Christinger, }

R. L. Thiele, Ass't Mgr.
P. A. Pederson, Chief Inspector

Gain Wins al Report

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Asked	Div.
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73	2.10*
25	1.00
51	2.00*
60	2.50*
13	.50
105	3.00
23	1.00
52	1.85*
9 1/2	.50
31	1.20*
28 1/2	1.20
115	2.50*
28	1.30
97	3.00*
15 1/2	.80
89	4.00
27	1.25*
56	2.00
6 1/2	.30*
160	5.00*
31	1.00
53	1.00*
24 1/2	1.00*
.87	.80
14	2.00*
39	1.40*
72	2.00*
36	1.40
17	4.75*
33	1.45
15	18.00
47	2.00*
57	2.00

Plan to Abandon Nation-wide Rating

(CONTINUED FROM PAGE 3)

However, Mr. Collins said that as far as the New York department is concerned, the examiner has a free hand and if he thinks the form or anything else is wrong he should say so. He said that perhaps sometimes the form was not scrutinized very closely when it was filed. "We don't feel bad about criticism," he added.

"If we are going on that basis the examiner might as well go ahead and say a lot of things about the New York standard fire policy," Mr. Dumont remarked.

"I could say a lot of things about it right now," was Mr. Collins' reply, which got quite a laugh.

Chairman Gough suggested that the various organizations having suggestions for examination of rating bureaus file memorandums with the committee and send copies to each of the other organizations filing them. Those planning to file memorandums are American Mutual Alliance, Insurance Executives Assn., Inland Marine Underwriters Assn., National Automobile Underwriters Assn., National Bureau of Casualty & Surety Underwriters, National Council on Compensation Insurance, and Towner Rating Bureau.

In addition to organization representatives already referred to those present included W. F. Roembke, manager Explosion Conference, Sprinkler Leakage Conference and Eastern Tornado Conference; Martin Lewis, president Towner Rating Bureau; A. V. Gruhn, general manager American Mutual Alliance; W. D. Hall, actuary National Automobile Underwriters Assn., H. F. Richardson, secretary-treasurer National Council on Compensation Insurance; H. L. Wayne, manager Inland Marine Underwriters Assn., and R. H. Lord, vice-president and secretary of Manufacturers Mutual Fire and manager of the Factory Mutual Rating Bureau.

WANT ADS

WANTED—SPECIAL AGENT FARM AND HAIL DEPARTMENT

Well established stock company. State of Illinois. Some local agency experience desirable. Excellent opportunity for advancement. Reply giving complete information and qualifications to H56, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Fire Underwriter 25-35 years of age, preferably with some Fire Engineering experience. Some traveling. Excellent opportunity for advancement.

CHUBB & SON
175 W. Jackson Blvd.
Chicago 4, Illinois

WANTED

Experienced payroll auditor for North Carolina with headquarters at Charlotte. State age, experience, and salary desired. Address Box H-52, The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Fieldman for established old line Stock Companies in Nebraska. Headquarters at Lincoln. Address H-44, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED BOND MAN

Experienced all lines for responsible position with stock company in established department in Chicago. State age, experience and general qualifications. Address H-54, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

Central Office Plan Is Considered

(CONTINUED FROM PAGE 4)

head the examinations committee. Since the resolution did not amend the constitutional provisions vesting all committee appointment powers in the president, it is not binding.

Though Mr. Dineen has not yet announced his choice of a chairman for the examinations committee, it seems probable that in the constant effort to improve the quality and procedure of examinations he will refrain from loading the new secretary with the additional burden of heading the examinations committee.

Parkinson's Background

The new N.A.I.C. secretary went into the Illinois department in 1941 as assistant director. He became chief deputy in 1942, acting director in 1944 and director in April, 1945. Before joining the department he was district agent in Decatur, Ill., for Mutual Benefit Life. He is a native of southern Illinois.

Mr. Dressel, who goes on the executive committee as a member at large, became superintendent of the Ohio department early in 1945. He was formerly a trial lawyer in Mt. Gilead, Ohio.

Taking action on a situation called to its attention by Kavanaugh of Colorado, the executive committee adopted a resolution expressing disapproval in principle of rules under which "members of certain fraternal beneficiary societies have been expelled from membership in associations operated in conjunction with such societies and by application of rules, by-laws, or conditions of insurance have thereby been deprived of their insurance protection."

Aimed at Union Fraternal

While the resolution does not mention unions, it was in fraternal organizations operated in connection with certain unions that the compulsory forfeiture of life insurance occurred after the policyholders had been on the losing side of a union dispute. The resolution points out that loss of this life insurance is irreparable where because of advanced age or poor health the member cannot obtain new life insurance or must pay greatly increased rates.

The executive committee noted with regret the illness of Commissioner Barus of Wyoming and sent him a telegram wishing him speedy recovery.

The federal legislation committee of the N. A. I. C., headed by Harrington of Massachusetts, spent considerable time conferring with the subcommittees of the all-industry committee which are dealing with the problems arising out of the Clayton, Robinson-Patman, and federal trade commission acts.

Grain Fire Losses in Wash. Set All-time Record

WALLA WALLA, WASH.—A loss of \$1 1/2 million of wheat was noted by Commissioner Sullivan in his report on losses from grain fires in eastern Washington. There was \$1 million loss from warehouse and elevator fires and half that figure from standing grain fires, the greatest loss suffered in this area since records have been kept by the commissioner who also is ex-officio state fire marshal.

L. L. Burgurunder, deputy marshal, stated investigation showed the fires were preventable and due to carelessness. He praised the rural fire departments for their efforts, which saved more than \$1 million of grain. The Clyde and Waitsburg districts did exceptional work with their new district fire department, and received a reduction in insurance rates equal to the expense of maintaining the department.

At least six more rural fire departments should be formed in the county before the next harvest season, Sullivan

said. This would give every farmer in the county protection.

Green hay has been responsible for the burning of several farms in the area. The commissioner requested that farmers make sure their hay is properly cured in the field before storing it in the barn.

Agents to Place Richmond Cover

A plan has been worked out in Richmond, Va., whereby a committee of agents will supervise placing the city's insurance, which heretofore has been placed by a mayor's advisory board. The casualty lines will be apportioned among various agencies, board, non-board and mutual, on the point system. It is understood the number of employees in an agency will govern its participation. Agencies representing Virginia Fire & Marine are reported to be slated to get the fire line of the city because that is a home company. The plan is expected to be outlined in detail at the next meeting of the Richmond Exchange. No bids will be asked.

Chairman of the committee is W. F. Curtis, stock representative, member of the Boswell & Curtis agency. L. J. Dugan represents non-board agencies and J. R. Chappell the mutuals. Mr. Dugan operates the General Insurance

Gorman, Anti-Trust Official, to Address Rhode Island Assn.

The principal speaker at the annual meeting of the Rhode Island Assn. of Insurance Agents, to be held at the Providence Biltmore Hotel Oct. 28 will be Manuel M. Gorman, special assistant to the U. S. Attorney-general.

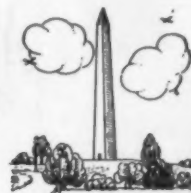
Mr. Gorman is well known to insurance men as one of the attorneys who prepared the Attorney-general's Supreme Court brief in the S.E.U.A. case. He handles insurance matters that come before the anti-trust division.

Agency and Mr. Chappel a mutual agency under his own name.

Scott Is Home Hail Supervisor

C. J. Scott, Home, Chicago, has been appointed supervisor in the hail department. He has been with Home 16 years and was transferred to the hail department in 1943.

The Smith Brothers agency at Oelwein, Ia., has been sold to the Oelwein insurance agency.



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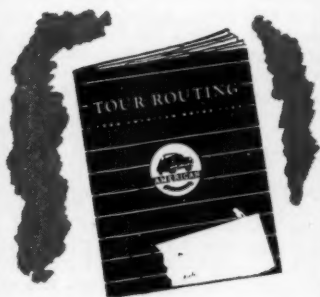
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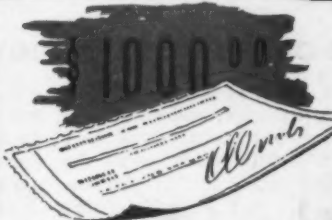
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EDITORIAL COMMENT

Building from the Ground Floor

The existing employment conditions have caused employers to study their own problems very carefully and they have learned some lessons that can well be followed. For example, at the present time in almost all places there is a dearth of female help. An office may want a telephone operator, an accountant, a dictaphone girl or other types of skilled help. They are almost impossible to get under today's conditions.

Therefore, employers have reached the conclusion that they should train such people in their own offices. For instance, they should employ younger girls and have them learn these various duties so that they can be promoted when a vacancy occurs rather than attempt to get someone from the outside. In this way an office will find itself in a far better employment situation.

These younger girls, when taken on, can become more expert in typing and can assist in other kinds of work than that which might be set before them

when they are employed. They may be better adapted for other lines of work than what was specifically mentioned when they were hired. The girls, by the time they are wanted in higher positions will have a thorough knowledge of the people for whom they are working and the work that is being done.

Employers also are firmly convinced that they should get boys who have had high school education and a few years in college, bring them into the office, put them to work in some way and test their ability in different directions. It does not take a very extended time to ascertain whether a young man is fitted for outside work, sales work or office work. The office thus becomes a training school both for men and women and it is not put to it to find competent help when such is required. In this way an office has the opportunity of training its own people, getting them in touch with the practices of the institution, its policy and requirements.

Danger of Prejudice

Too often we attempt to reach a correct decision or get a clear picture when our own mind is prejudiced. Prejudice carries a magnifying glass. It makes the issue seem more formidable than it really is. It means that it makes the person more reprehensible than he is.

We have very important questions before us, and we have many grievous problems. We need a clear mind and understanding heart and we need much tolerance. We cannot arrive at a fair judgment when we have a prejudiced eye.

Value of the Middle View

Today in the great questions before us—political, economic, and those pertaining to our own business—we have too many who fail to look across the road and see the other side. We are positive that we are right. We know that the other fellow is wrong. We are very pronounced in our feelings.

Would it not be a good plan to have more middle of the road people? They

only ask fair play and the right to work and live under healthy conditions. They do not feel that one class of people has the answers to all questions, they do not believe that there is one coterie that is always right and the other always wrong.

They take a middle view and after all that perhaps is one that is very much desired in these days.

Starts with a Successor

In setting up a new department recently an executive took a rather unusual step. He spent a week or two surveying the job he had ahead of him. It was one of considerable proportions and involved a heavy investment by his company.

Then he went to the president.

"The first thing I want," he said, "is to hire a man to succeed me."

This startled even that experienced insurance company head. The executive outlined his reasons. The project not

only involved the expenditure of a large sum of money over a period of some months, but it had to be planned and timed carefully. It took teamwork on the part of the company's entire organization. While success was fairly certain, the loss of the man who was responsible for direction of the venture at any point before it achieved real, self-generating momentum would seriously jeopardize the project itself and detract from the prestige of the company. At the very least it would have

seriously modified the time schedule he had set up.

The president authorized the executive to go ahead.

It is often difficult to get an executive to start building for the future,

even when he gets so old he has not much time left to bring a younger man along. No wonder the president was startled when an executive asked for a successor at the very outset of a major undertaking.

Velvet Sheath Is Valuable

A philosopher once said that one who has a sharp mind is to be congratulated, but it should be kept in a velvet sheath. Perhaps 80% of the heartaches are caused by, cruel, unfair and prejudiced

words. There is nothing that strikes like a sharp word. Life in general and in business could be made far more agreeable if we keep our sharp minds in a sheath.

PERSONAL SIDE OF THE BUSINESS

At two insurance gatherings last week, there was a pigeon visitation which has elicited conflicting interpretations from the oracles. In the Hotel Syracuse at Syracuse, N. Y., during a session of the all-industry committee a pigeon flew into the room and the group with one voice shouted "peace." Herman A. Ekern of the Chicago law firm of Ekern Meyers & Matthias and president of Lutheran Brotherhood, was speaking and he announced that this was a symbol of harmony which is what the all-industry committee has been striving for.

At the meeting of the Michigan Assn. of Insurance Agents at Port Huron a pigeon flew about in the open pavilion where the business sessions were held for two days. When it first entered the place W. A. Doyle of Highland Park, Mich., was speaking and he remarked that this is what is meant by overhead.

Emil Janousek, Kansas state agent of Security of New Haven, has been permitted to leave St. Francis hospital, Wichita, where he was confined for more than two weeks following an operation, but will be unable to return to the field for several weeks.

Lawrence A. Freese, Jr., who has just joined the agency at Detroit of his father, Charles E. Freese, after being released from the navy, was married last Saturday to Peggy Fitzgerald. Mr. Freese now has two sons by his side in the agency. The older son, Charles E. Freese, III, who was an army major, has been back about six months. He had been with the agency prior to the war.

While George D. Markham of St. Louis, who attended the initial organization meeting of the National Assn. of Insurance Agents in Chicago, will not be able to attend the 50th anniversary meeting at Denver this year on account of impaired health, his health now is somewhat better. He spent the summer at Dublin, N. H. Mr. Markham is now the only survivor among the agents who were present at the first meeting.

Joshua K. Shepherd, in charge of the Little Rock office of North America, is vacationing in southern California, accompanied by Mrs. Shepherd.

John C. Bunyan, Pacific Coast manager of Commercial Union group, who suffered a heart attack more than seven weeks ago, has recovered sufficiently to return to his home in San Francisco.

Raymond L. Budge of St. John, Kan.,

president Kansas Association of Insurance Agents "went up in the air" to collect the premium on an airplane sold last week and gained considerable local publicity. His assured offered to pay the premium 1,000 feet above Budge's office if he would fly up to collect. This Budge did on Sept. 1, his cousin Jimmy Budge being the pilot of the assured's plane.

W. B. Parks, Cleveland, Tenn., local agent who was nominated in the recent primary election to run for Congress in the November general election in opposition to Rep. Estes Kefauver (Demo.) has stated he will not make the race.

DEATHS

Homer E. Sanders, veteran Texas adjuster, died while in Kentucky for a rest. He was born in 1888 in Archer City, Tex., and moved to Dallas 10 years later. He went into the insurance business at an early age and had been connected with it in Dallas ever since. In 1934 he formed the Homer E. Sanders Insurance Claims Service. Mr. Sanders was a charter member of the National Association of Independent Insurance Adjusters, and a charter member and past president of the Association of Independent Insurance Adjusters of Texas and the Dallas Claim Men's Association.

Clarence W. Swayze, 64, president of Grange Mutual Fire, secretary of the state hail insurance board and secretary of the National Federation of Grange Mutual Insurance Companies, died in Denver after a five-day illness.

Mrs. Leonhard T. Hands, widow of the former Michigan commissioner and once an officer of Michigan Life, who died about a decade ago, died in Detroit.

Theodore Plessner, chairman of Northern of New York since February, 1944, died at his home in Mount Vernon, N. Y. He had been associated with the company since its inception. He had been in poor health for some time.

Mr. Plessner started in the insurance business in 1895 with Burke & Brown, managers of New York & Boston Lloyds. This was later reorganized and incorporated as the Northern. For many years the company was managed by Willard S. Brown & Co., and Mr. Plessner served as chief clerk of the managing firm. He became assistant secretary in 1919.

In 1926, he was named secretary and

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treasurer. Three years later he became vice-president and treasurer, becoming president in 1938.

George W. Harbison, aged 48 years, state agent for three companies of the America Fore group and for 10 years secretary of the Tennessee Fire Underwriters Assn. and Fire Prevention Assn., died Friday after an illness of four years. He served as president of the fire underwriters.

Norman V. McNamara, 53, engaged in the casualty and general insurance business in Buffalo, N. Y., for the last 20 years, died at his home after a three-month illness.

J. W. Stock, 60, prominent Cincinnati local agent, died there after three months' illness. Starting from scratch 25 years ago, Mr. Stock built up a substantial agency. The agency will be continued as J. W. Stock & Co. by a son, Irvin, who joined the agency in 1939. He served in the armed forces four years, returning to the agency the beginning of the year. Another son, Freeman, is with Underwriters Adjusting at Cincinnati.

Mrs. Sylvia Adler Rauh, 74, widow of the late Louis L. Rauh, Cincinnati local agent, and mother of Frederick and Morton A. Rauh, died at the home there of a heart attack. Frederick Rauh is the senior partner of Frederick Rauh & Co., founded by his grandfather of the same name in 1870. Morton, formerly associated with the agency, is now a naval officer.

N. Y. Brokers Face Earlier License Renewal Deadline

This year all New York brokers' licenses will, for the first time, expire Oct. 31 instead of Dec. 31 as formerly. Applications for renewal will be mailed to the 20,000 current licenseholders beginning Sept. 13.

Renewal applications postmarked not later than midnight, Oct. 31, will automatically continue the license in effect until a renewal license is issued by the superintendent.

Licensees who fail to apply for renewal before Nov. 1 lose their authority to do business after Oct. 31.

Haw Ky. Assistant Actuary

Dean Haw has been made assistant actuary of the Virginia department to succeed W. G. Hayes, who died recently. Mr. Haw had been an examiner for the department for some years. As assistant actuary, he concentrated chiefly on evaluation work, and probably will devote most of his time to that type of work in future.

Accountants Meet Sept. 19

The next meeting of the Chicago Insurance Accountants Assn. will be at 6 p. m. Sept. 19 at the Chicagoan hotel. A business meeting will follow the dinner. Then there will be a movie presented by the American Express Co. travel bureau entitled, "Mexico—Land of Enchantment." It is in sound and color, with Lowell Thomas as commentator.

R. F. Stumpf Advanced by F.C.A.B.

F. C. A. B. has appointed Robert F. Stumpf manager of its Paterson, N. J. office. Mr. Stumpf has been adjutant at Newark for four years, and prior to joining the bureau was for over 10 years with the Risk Inspection Bureau of New Jersey.

Reddrop Succeeds McDermott

F. S. McDermott, Toronto manager of Royal-Liverpool, is retiring Sept. 30 after 40 years of service. He has been manager of Liverpool & London & Globe since 1936 and for the past four years Toronto manager of the group. He is succeeded by F. O. Reddrop, who has been assistant manager in Toronto.

W. S. Crawford, insurance editor New York "Journal of Commerce" is recovering from the illness and operation

which kept him in the hospital in recent weeks. Last Friday he traveled by air to Akron to be with his daughter, Mrs. George M. Sprowls of 909 Hereford drive.

Late Casualty News

Cobb to Probe REA Insurance

WASHINGTON—Now that J. O. Cobb, insurance consultant to the Department of Agriculture, is to inquire into activities of the rural electrification administration, with respect to insurance matters, for the information of Secretary of Agriculture Anderson, REA officials point to three administrative bulletins issued some time ago. These are said to embody, virtually, the REA insurance "creed."

The bulletins set forth, respectively, requirements with respect to (1) insurance of borrowers' engineers; (2) insurance and performance bond of borrowers' contractors; (3) insurance and fidelity coverage for borrowers' operations.

These bulletins came out over the signature of Claude R. Wickard, REA administrator, who had been Secretary of Agriculture during the period of the row over insurance operations sponsored by the National Rural Electric Cooperatives Assn. in connection with REA activities and which led to the resignation of Harry Slattery as REA administrator.

Each of the administrative bulletins supersedes other existing instructions in conflict with its respective provisions. The bulletins set forth REA policies and requirements with respect to workmen's compensation, employers liability in Mississippi, public liability and property damage liability, automobile liability, fidelity coverage, automobile, fire and windstorm, boiler, etc.

Fla. "Comp" Rates Cut 4%

TALLAHASSEE — Commissioner Larson of Florida has accepted the National Council on Compensation Insurance filing that produces an over-all reduction in compensation rates of .2% subject to a discount, or further reduction, commensurate with the estimated, or probable effect of the Lindsay case.

This is estimated at 3.8% and hence orders an over-all 4% reduction in rates to become effective Oct. 1.

Am. Surety Field Conference

American Surety is conducting a sales promotion conference this week at the home office for special agents from 20 branch offices.

The conference is under the direction of L. C. Johnson, educational director; J. H. Wells and Alfred H. Edwards, sales promotion managers, and George F. Ainslie, Jr., manager and production department. W. E. McKell, first vice-president, opened the conference with a brief talk.

H. W. Talbot, agency director U. S. Aviation Insurance Group, spoke on "Aviation Insurance." Weston Smith, business editor of the "Financial World," gave an address.

Mass. Manual Is Amended

BOSTON—The Massachusetts department announced an amendment to the workmen's compensation manual by which a limitation of payroll for computation of premium will provide that an employee's average weekly remuneration is to be limited to \$100, provided the insured's books and records are maintained as provided for in a form stipulated by amended rules, applicable after Oct. 1.

Lively Presents Movie

Phil Lively, of Bates, Lively & Pearson general agency, presented to the Portland, Ore., Kiwanis Club the movie "There's No Place Like Home" dealing with accident hazards in the home. The general agency represents the Aetna Life affiliated group.

American Surety Runs School for New Field Men

The American Surety group is conducting a sales promotion conference at the home office for new special agents this week. It is under the direction of L. C. Johnson, educational director; J. H. Wells and Alfred H. Edwards, sales promotion managers, and George F. Ainslie, Jr., manager agency and production department.

W. E. McKell, president New York Casualty, opened the conference with a brief talk. H. W. Talbot, agency director United States Aviation Underwriters, will talk on aviation insurance.

Topeka Luncheons Resumed

Topeka Blue Goose luncheons were resumed with R. M. Covington, Hartford Fire, most loyal gander, presiding. He presented to C. E. Smith, Royal Exchange, a past most loyal gander's button. Lloyd Morgan, Preferred Fire, reported on bowling league plans.

Sellers with L. E. Ellis & Co.

DES MOINES—J. E. Sellers, formerly with the Iowa Insurance Service Bureau, has joined the L. E. Ellis & Co., general agency, as a field man and rating expert. He joined the Iowa bureau in 1939 and served three years in the army.

H. C. Youmans Brokerage Head

Harry C. Youmans has become manager of the brokerage and service department of American.

Loyal Protective Has Big Rally

Loyal Protective Life held the largest and most successful convention in its history at the Edgewater Beach Hotel, Chicago. About 200 top producers attended. Harold R. Gordon, managing director Health & Accident Underwriters Conference, addressed a luncheon meeting on "Our Business." John M. Powell, president, spoke on "Time Marches On," and W. B. Cornett, vice-president, spoke on "The Next Ten Years."

Gordon Fox Buyers' Speaker

Mid-West Insurance Buyers Association is opening the season with a dinner meeting at the Union League Club, Chicago, the evening of Sept. 17.

"Fidelity and Surety Bonds" will be discussed by Gordon H. Fox, Marsh & McLennan, fidelity-surety manager.

Cost of Living Payments

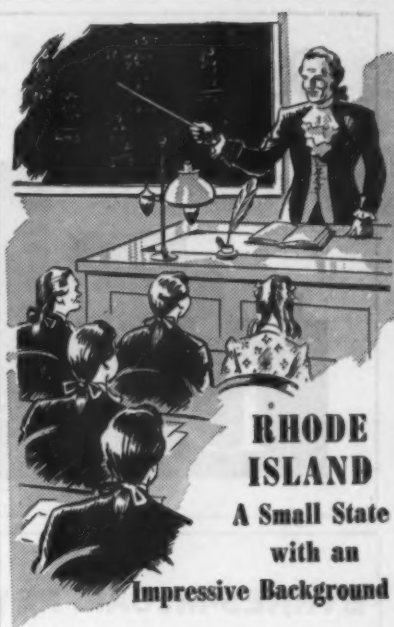
Much interest has been taken in the program of Washington National to adjust salaries quarterly in keeping with rising costs of living.

Commencing Aug. 1 an adjusted cost of living payment is being made to home office personnel. For the initial quarter it is 10%. It goes only to those permanent employees earning \$5,000 or less. The percentage is applied only to the first \$250 per month of salary. The payment is to be adjusted for each three month period, based upon the National Industrial Conference Board cost of living index. The index figure as of June 30 was 108.2 and this figure will be the base for future adjustment.

Each three months an adjustment will be made up or down in the payment as the index figure rises or falls with the cost of living. For instance, if the Sept. 30 figure when published in November is 111.2, which would be an increase of 3 percentage points for the quarter, the payment would be increased from 10% to 13% for December, January and February. Decimals will be rounded off to the nearest percentage figure.

The payment will be considered as salary for all purposes except in determining group insurance classes in which case the basic salary figure only will be used.

George Van Every, Mason City local agent, has sold his agency to W. M. Gregerson.



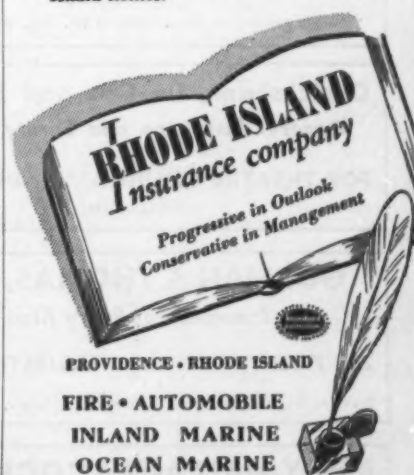
RHODE ISLAND

A Small State with an Impressive Background

EARLY RHODE ISLAND SCHOOLS

In Colonial Rhode Island, most of the children went to Dame Schools—kept by a "dame" in her home—and the more privileged boys were tutored at Latin Schools. Newport had one of the very first public schools in America, dating back to 1640. Most parents seemed satisfied if their children learned to cipher and read the Bible, and few girls were required to learn this much. When Brown University—then Rhode Island College—opened at Warren in 1765 only one student registered, and in 1769 there were only seven graduates, when Nicholas and Joseph Brown furnished money to have the college removed to Providence.

Most parents want their children to have as many advantages as possible; the Rhode Island Insurance Company is glad to have helped produce safer living conditions in many Rhode Island homes.



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Walter Cary New Michigan President

George Carter Hour Again Prominent Feature

Detroit Leader Insists Stock Companies Retain Rating Bureau Control

The George W. Carter hour for years has been a valued feature of annual meetings of the Michigan Assn. of Insurance Agents. This is billed as a report of the conference committee, but it serves as a springboard for Mr. Carter to go up and down the insurance highway, touching on current events, meting out praise and criticism, donning a fighting mien here and expressing a benign sentiment there. Everything he has to say is attended closely because Mr. Carter is as influential as any single individual in the production zone and his remarks frequently are the shadows of things to come.

At Port Huron last week Mr. Carter's range of subject matter was especially wide.

He hit the hardest in his contention that a "must" in rating legislation is a provision that ownership, control and policy making power of stock company rating bureaus shall remain with the stock companies. It is all right to admit other insurers as subscribers but without a voice at the policy level. If this relationship is not satisfactory to such companies, they should organize their own facilities. Mr. Carter insisted that it is the stock companies that have invested millions of dollars in perfecting the rating system and setting up the various facilities and allied public service operations.

Objects to Auto Rating Setup

Mr. Carter expressed some dissatisfaction that under the all industry rating bills all automobile insurances are put under the casualty rating section. In Michigan over the years dealings on auto physical damage lines have been with the fire companies and Mr. Carter indicated a preference for a perpetuation of such relationship, but he conceded that this point is not too vital.

The all industry measures he characterized as being "as good as can be obtained at the moment so long as they mean, as we have been told they mean, that they imply no statutory regulation of commissions."

Mr. Carter reiterated his contention that the manner in which commissions are divided between originating agent and countersigning agent should not be governed by statute. It was inconsistent, he argued, for agents to insist that commission arrangements shall be left to private negotiation between agent and company and at the same time to advocate public regulation of countersigning commissions.

One of Mr. Carter's brickbats was directed against the reinstatement of the rule that was suspended during the war, imposing a rate penalty on garages that don't display "no smoking" placards. Mr. Carter called that rule "asinine."

Another slap on the wrist was administered to those casualty companies that deny liability under the householders comprehensive liability policy for damage caused by neighborhood villains below the age of 7. This leaves a bad



George W. Carter (left), chairman of the conference committee of the Michigan Assn. of Insurance Agents for the past 25 years, is here receiving life membership certificate, the first and only one to be awarded by the association, from Edward R. Moore, Port Huron (right) at annual meeting last week while Governor Harry Kelly of Michigan, the banquet speaker, enters into the jovial spirit of the occasion.

Personalities at Port Huron Rally

Father and son combinations were much in evidence at Port Huron during the convention of the Michigan Assn. of Insurance Agents. The young men were all war veterans and they indicated a keen interest in the organization. These teams included W. A. Doyle and W. A. Doyle, Jr., Highland Park; J. Alfred Grow and J. Alfred Grow, Jr., Detroit; Harold McMartin and John McMartin, Port Huron; Chester W. Dow and Gordon Dow, Flint; Lorne Black and Lorne Black, Jr., Port Huron; Dan Lazelle and Dan Lazelle, Jr., Pontiac; Russell Austin and Ralph Austin and son-in-law Ralph Norvell, Pontiac; Edward F. Gibbs and Thomas E. Gibbs, Flint; C. L. Jerome and Richard Jerome, Rochester; W. J. Phillips and W. J. Phillips, Jr., Flint; Henry Wilson and Charles Wilson, Grand Rapids, and Percy Worgess and Russell Worgess, Battle Creek.

J. Alfred Grow, Jr., Detroit, negotiated the Black River Golf Club course in 82 and thus captured the Michigan association trophy.

Mrs. Edward R. Moore, wife of the retiring president, was a most gracious hostess at the lawn party and at other gatherings at the Moore home during the convention. Walter Cary, with poesy and against the heckling of George Carter, presented her one evening at her home with a gold necklace.

The company men from foreign parts at Port Huron included the ubiquitous Charles N. Dubach, production manager of Hartford Accident, Chicago; C. L. Zook, assistant western manager of National Fire; C. R. Watkins, executive special agent of New York Underwriters, Chicago, and T. F. Shortall, vice-president of Emmco.

Grant Moore, no relation to E. R. Moore, was chairman of the local arrangements committee.

A telegram was read from Clyde B. Smith of Lansing, former Michigan and N.A.I.A. president, who couldn't attend. He is a mainstay of the organization and this was his first miss in 30 years.

At the banquet a birthday cake was

taste in the mouth of assured and of the neighbor with the broken window and is public relations in reverse, Mr. Carter declared.

Mr. Carter gave an example of the work performed by the conference committee. He said in February complaints

(CONTINUED ON PAGE 31)

Detroit Leader Now at Helm of Strong Group

More Than 270 Attend Valuable 3-Day Parley at Port Huron

NEW OFFICERS ELECTED

President—Walter B. Cary, Detroit.
Vice-president—Howard W. (Hook and Ladder) Huttenlocher, Pontiac.
Treasurer—Russell A. Bradley, Ann Arbor.
State Director—Edward R. Moore, Port Huron.
Secretary-Manager—Waldo O. Hildebrand, Lansing.

By LEVERING CARTWRIGHT

Conventions of the Michigan Assn. of Insurance Agents are always impressive evidence of the strength, unity, efficiency and good fellowship of the organization. At Port Huron last week for three days

about 270 members and company folk had one of the most enjoyable get-togethers in the history of the association. The meeting produced few bold headlines, there were no inflammatory issues, and the group was possessed of a comfortable feeling that they are being guided by influential leaders and that the association is in tip-top condition.

Men of real substance and influence have always been willing to assume office in the M. A. I. A. There is no cleavage between Detroit and the rest of the state. The big agents are ready to do their share of the work and contribute their full share of the funds. At Port Huron the presidential gavel passed from Edward R. Moore of Port Huron, who is one of the most successful local agents of the state, to Walter B. Cary, potent Detroit insurance man and business-political leader.

Lean on Hildebrand

One reason why men of this caliber are willing to take the helm is that they know that they will have at their side Waldo O. Hildebrand, the secretary-manager, who seems to have wings and is always at the right place at the right time. "Hildy" is the association day in and day out and his value is fully appreciated. Another reason is the example of George W. Carter of Detroit, one of the largest insurance agency operators of the country, who for more than 25 years has been an organization leader state and nationally. Incidentally at the banquet at Port Huron Mr. Carter was presented with an honorary life membership in the association amid an ovation.

The meeting got off to a splendid start because after a brief afternoon business session, the group sauntered across from Gratiot Inn on Lake Huron to the lake front residence immediately adjacent of President Moore and enjoyed a sumptuous lawn party under ideal weather conditions. There was 300 pounds of lobster and shrimp and



Walter B. Cary

set before George Carter at the same time that he was elected to honorary membership. The day before he had reached the 60 year mark.

In accepting the life membership, Mr. Carter announced that he would continue to pay his share, "Nobody ever gets a free ride in this organization. This is the first time you ever gave anyone a life membership and you gave it to me because you know damn well I would pay."

Another birthday song was sung at the banquet for Carl F. Trager of Lansing, the outgoing state national director.

Ralph Norvell of Pontiac, in particularly gracious fashion, presented an inscribed gavel to President Moore at the final session.

John Horton, Aetna Casualty manager at Detroit, was attending his 29th consecutive annual convention at Port Huron.

J. W. Mundus of Ann Arbor was chairman of the nominating committee.

Jack Braun, son of Phil J. Braun, who was M.A.I.A. president in 1925, invited all Michiganders to attend the program at Flint during fire prevention week. Richard E. Vernor, Western Actuarial Bureau, will be the speaker and the Michigan Fire Prevention Assn. will conduct an inspection. Phil Braun, who is taking things easy these days, was not at Port Huron.



E. R. Moore, Port Huron, right, is here receiving from Don E. Bowen, in behalf of Kalamazoo association, local board trophy to be awarded for the first time next year.

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tables of other delicacies and a five-piece orchestra.

At the closing session there was adopted a memorial as presented by Austin Jenison of Ann Arbor, chairman of the resolutions committee, sharply denouncing the change in the GI training-on-the-job law and summoning Congress to restore the benefits at least to a maximum of \$400 a month



Russell A. Bradley

E. R. Moore

that a veteran may receive by way of salary from his employer and veterans administration allowance. The recent amendment, according to the resolution, destroys the original intent of the program. It confines the training period to a maximum of two years and puts a ceiling of \$175 a month on the single veteran and \$200 on the man with dependents.

Leaders in GI Training

Michigan has been a leader in putting into effect the training on the job program and there have been no abuses of it in the state, the memorial asserts. The change is particularly discouraging to the Michiganders because the GI program had been furthered as an as-

sociation project. It is said about 200 agencies in the state are embarrassed by the amendment.

By another resolution, the association is committed to participate to the utmost in the traffic safety crusade of the Traffic Safety Assn. of Detroit and the traffic safety committee of Michigan Press Assn. This campaign emphasizes better enforcement, periodic inspection of vehicles, raising the statutory minimum age for driver licensing from 14 to 17 and driver training in the schools.

The executive committee also adopted a resolution calling on the insurers in the automobile field to discontinue so-called knock-for-knock agreements with one another. The Michigan agents feel that under these agreements their assured frequently are put to much trouble and are penalized in the settlements.

Cary Started in Life Field

Mr. Cary, the new president, is a prominent and influential citizen of his city and state. Currently he is treasurer of the campaign of Kim Sigler, Republican nominee for governor. He was chairman of the campaign in 1942 for Senator Ferguson and is credited with having induced Ferguson to make the race.

Mr. Cary was employed in a bank at Muskegon, Mich., and took to selling insurance on the debit there for Prudential when he was but 15. When he got to the point where he was entitled to be appointed as assistant superintendent he was denied such appointment because he wasn't 21. Mr. Cary was put out and made a contract with Mutual Benefit Life. He sold two \$50,000 policies plus about \$40,000 more in his first year. As a reward he was invited to Detroit and presented with a watch by

Mutual Benefit general agent there. The general agent at the same time persuaded Mr. Cary to change his base of operations to Detroit. Mr. Cary made the move and while he continued to sell life insurance he also developed a fire and casualty business. Then in 1908 he formed the Michigan Insurance Agency, which expanded into one of the major insurance enterprises of the country.

Mr. Cary served three terms as president of the Detroit Assn. of Insurance Agents.

New Executive Committee

The new executive committee consists of D. T. Marantette, G. L. Nevens, and C. G. Waldo, Detroit; M. G. Craft, Jackson; D. E. Bowen, Kalamazoo; L. H. Krueger, Niles; J. L. Van Wagener, Pontiac; R. A. Gillespie, Flint; A. A. Smith, Lansing; L. J. McVoy and H. W. Usher, Grand Rapids; F. L. Winter, Muskegon; J. G. Moore, Port Huron; H. W. Brady, Saginaw; G. W. Power, Traverse City; W. G. McCune, Petoskey; J. P. Old, Jr., Sault Ste. Marie; Art Goulais, Escanaba, and H. E. King, Calumet.

Gives Presidential Message

At the opening session President E. R. Moore gave his message. He spoke strongly in favor of the new governor retaining in office as insurance commissioner David Forbes, especially because of the importance next year of insurance legislation. Mr. Moore recommended that an all industry committee be established so that insurance can go before the legislature next year with a unified program. He announced that the membership now consists of 600 agencies, 52 having been added during the year. He spoke with especial satisfaction of the work that the association has done during the year in the educational field.

An insurance skit was staged by a group of local agents and credit men including Charles T. Phillips, Samuel Eusey, Frank J. Witliff, William Witliff, Fred Sovereign, William Simpson and John S. Witliff.

Gov. Kelly of Michigan was the banquet speaker taking the place of Senator Ferguson, who had not returned from a mission to Central America. Most of his address consisted of statistics on various public building projects and taxes.

At the final session Friday morning Don E. Bowen in behalf of the Kalamazoo association presented to the state body a trophy to be presented commencing next year to the local board that excels in organization activity. Kalamazoo did the honors because it now has permanent possession of the George Brown trophy by virtue of having won it three years running.

There was a demonstration of a residence loss adjustment with Robert R. Nelson, Detroit adjuster, taking his normal role and H. Thompson Stock, Detroit agent and well known insurance educator, as the assured.

Mr. Cary in accepting the presidency announced that he would soon appoint a law and legislation committee to get busy in preparation for important duties next year. He said he expects to give virtually undivided attention to affairs of the Michigan association during his term.

The speaker at the final luncheon was Steve Conroy, executive secretary of the Aviation Assn. of Michigan, whose appearance was arranged by Ed Quick of Muskegon, chairman of the aviation committee. He implored his listeners to lend a hand in preventing the imposition of restrictions on aviation and to lend their influence to the creation of adequate airport facilities. Michigan, he said, has more airports per capita than any state, but it needs 300 to 500 more today. The endeavor of the aviation industry, he declared, is to provide conveyance with some sort of a flying apparatus to anyone who can possibly drive an automobile.

At the Thursday morning session with President Edward R. Moore in the chair, L. Irving McKay, state agent of Northern Assurance, gave a message as gen-

eral chairman of the Michigan Fire Underwriters Assn. He outlined what his



H. W. Huttenlocher

W. O. Hildebrand

organization intends to do to carry out in Michigan the overall public relations program of the National Board. Major meetings are projected for Detroit, Grand Rapids, Lansing, Saginaw, and Jackson. The desire is to have such gatherings jointly sponsored by local boards and civic groups. On these occasions the song of all forms of stock insurance—fire, casualty, surety—will be sung but the responsibility for the meetings will be assumed by the Michigan F.U.A.

Mr. McKay implored agents to take time out to help promote this program. It is a bread and butter matter, he said, to win for the industry the best possible public good will. The companies can't make their public relations endeavors effective without the wholehearted participation on the part of agents.

Insurers, in their trade paper advertising, he declared, should provide ammunition to carry forward the objective. Copy should contain stock insurance messages that the local agent can take to his customers and to the public.

Mr. McKay advocated that the word "premium" be replaced with some such term as "service cost."

Aviation Ideas Presented

Donald Wilson of Chicago, assistant western manager of Associated Aviation Underwriters, gave an address on progress that has been made in his field. The present period in aviation underwriting is one of uncertainty. Eventually the rates and rules may become standardized and stabilized but today the ink is no sooner dry on a rate chart than it is obsolete.

Exclusions in the policy have been greatly reduced. Private flying will form the nucleus of a future military air force if it should be needed. Deposits were made this year for the purchase of 30,000 new private planes. So far 20,000 have been delivered. Many returned military flyers want to keep in the air. The GI training program has tripled the activity of many airport operators.

At the Cleveland air show it was the military plane that was on exhibition. The advancements made in the past four years were outstanding. Jet planes aroused great interest.

There was much grousing at Cleveland about government restriction affecting flying. Some veterans that started a little aviation enterprise have been crushed by government restrictions. Many of the regulations are made by those who are not friendly to aviation.

Mr. Wilson said local agents frequently discover to their surprise that they have assured that are flying and have planes.

It is important for the agent to instruct these people in the liability that they are assuming and how to insure against it. Aviation underwriters try to take every good risk and those that are in the best aviation tradition. By insuring a poor risk the underwriters might very well be endangering lives. The underwriters are trying to discourage the holding of local, poorly supervised stunt shows. They are accident breeders and tragedies on those occasions cause the public estimation of aviation to decline. The transportation use of flying is what should be emphasized.

Explain Road Service, Inc.

The final feature at the morning ses-

**It Pays to Belong
To Your Local Association
Join Now
Flint Association of Insurance Agents**

It was indeed a pleasure to "play-host" to all you agents, field-men—company and state officials who came to Port Huron for the Michigan Assn. of Ins. Agents meeting. We hope you enjoyed being here as much as we did having you.

Port Huron Assn. of Insurance Agents

**DEARBORN NATIONAL
CASUALTY COMPANY**

**DEARBORN NATIONAL
INSURANCE COMPANY**

Head Office
TEN WITHERELL STREET
Detroit 26

ACCIDENT—AUTOMOBILE—BURGLARY
CASUALTY—COMPENSATION—LIABILITY
HEALTH—HOSPITALIZATION
PLATE GLASS
FIRE AND ALLIED LINES—INLAND MARINE

**LARGE ENOUGH TO SERVE YOU
SMALL ENOUGH TO APPRECIATE YOU**

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sion was a report on "Road Service, Inc.", led by W. A. Doyle of Highland Park, and assisted by Leslie R. Hamann, president Detroit association; George H. Karcher, president Dearborn association, and H. H. Neumann, president Southern Oakland County association, and V. E. Lazarus, president of Road Service, Inc.

This is not an official enterprise of the Michigan association but it does have its blessing. It was originated about two years ago by agents at Royal Oak who wanted to do something constructively to meet motor club competition. Some 230 agents in the Detroit area are now using it. Deals are made with garages to provide services at stipulated prices and these garages are listed in a booklet which is sent to assured. The motorist who gets in trouble in a strange part of town can call the nearest garage on the list with confidence that he will be taken care of properly and will not be gouged. Road Service, Inc., is able to steer insurance work to these "controlled" garages and hence exercises leverage to keep the costs within reason. The aim is to hold the costs down, so that stock company loss experience won't force rates to a non-competitive level. There is a theory that Detroit Automobile Club is able to get its work done at minimum cost because of its importance to its "controlled" garages.

The garage guide of Road Service, Inc., costs the local agent 2c a copy.

In Michigan there is what is known as maximum coverage, under which a motorist that buys both comprehensive and collision coverage also gets the \$10 road service feature and \$100 personal effects cover. Hence in Michigan there are far more motorists that have the road service feature than in any other state. The guide of Road Service, Inc., goes only to those assured that have the road service item.

The afternoon program opened with the traditional appearance of George W. Carter of Detroit reporting as chairman of the conference committee. As usual he held the closest attention of the audience.

Harold P. Reinhold, assistant Detroit manager of U. S. F. & G., gave a masterful chart talk on the comprehensive liability policy and on the residence and outside theft contract. It was a skillful and convincing sales presentation and it elicited a real ovation from the appreciative salesmen in the room.

The balance of the afternoon was taken up with a question and answer feature over which George Bortz, Fidelity & Deposit, presided. Others on the answering end were: Gordon D. Daugherty, Detroit Insurance Agency; Lance C. Minor, American Surety; Norman E. Peterson, St. Paul F. & M.; Kenneth W. Coleman, Massachusetts Bonding.

Mo. Legislature Reconvenes

JEFFERSON CITY, MO. — The legislature convened for the fall session here Monday, Sept. 9 after a recess since June 28.

Carter Report a Prominent Feature

(CONTINUED FROM PAGE 29)

were relayed to him that companies were notifying agents of the imposition of restrictions in automobile underwriting. Mr. Carter wrote to these companies, saying that such restrictions came with poor grace when a rate increase was just around the corner and while the companies and agents were getting warmed up on the bank and agent auto plan. They should not, he contended, withdraw their service because of a situation over which the companies had entire control.

The insurers, Mr. Carter said, saw the light and withdrew those restrictions and the advisory rates that were promulgated for Michigan April 8 were very fair and the market opened up.

Reviews Actuarial Meeting

Mr. Carter reviewed some of the points covered at the meeting between the actuarial committee of company executives and agency delegates from 16 states at Chicago June 14. This was the most constructive meeting in the series that has been held for the past 25 years, he asserted. Agents and companies, he said, saw eye to eye on fundamental questions of rate legislation. The companies, he said, agreed with the contention of agents that the matter has been approached with too fine a legalistic touch and that sound insurance views should be given greater influence.

Mr. Carter said the agents group is continuing to insist that extended coverage shall be treated as a divisible contract, but the company men won't budge from their position that it should be preserved as indivisible. Mr. Carter charged it is poor policy to require payment of a fire premium to reinstate the cover following a windstorm loss.

Mr. Carter mentioned that merchandise may not be insured against fire under the term rule yet it may be so insured against the E. C. perils. That, Mr. Carter alleged, proves that extended coverage is divisible. So long as the companies insist on treating the contract as indivisible Mr. Carter predicted that the states are likely when confronted with a fire insurance rate increase filing, to require that the E. C. experience be blended into the record.

"Automatic Pickup" Rule

On the agenda for 10 years has been the agents' demand for what Mr. Carter refers to as an "automatic pickup clause." It will remain on the agenda until action is obtained, he said. This is a provision that any liberalization of coverage terms shall automatically be extended to outstanding policies.

Mr. Carter said he is continuing to fight for an increase in the coverage on unscheduled jewelry and furs in the P.P.F. from \$250 to \$1,000. He declared

Report Adopted by All-Industry Group

(CONTINUED FROM PAGE 4)

that it has under consideration plans for implementing the model rating bills through publicity and promulgation of the bills themselves. Subcommittees will be appointed to handle these matters.

Foster F. Farrell, secretary-manager of the National Fraternal Congress, was elected chairman of the meeting. Henry G. Wood, special assistant to the president of Equitable Society, served as secretary.

McCARRAN AIDE PLEASED

WASHINGTON—Hal Lackey, assistant to Senator McCarran in surveying the situation with respect to legislation to comply with P.L. 15, said he would welcome the cooperation of the all-industry committee in that survey. He has received a copy of the model bill recommended by the committee. He expects to receive next week a report on the meeting of the all-industry committee held last week at Syracuse. He has sent a copy of the Senate committee's questionnaire letter to the all-industry committee.

Mr. Lackey has indicated that it would be satisfactory for any insurance industry organization receiving the questionnaire and which is associated or identified with the all-industry committee to reply to that effect and that the all-industry committee would answer in behalf of such associated organizations.

Mr. Lackey said he had received a number of replies to his questionnaire. One state commissioner has submitted a report outlining the proposed code for his state. Other commissioners have replied that they are preparing reports in response to the questionnaire.

One association has sent in an outline of its proposals for state legislation, Mr. Lackey said. Other associations have replied they are submitting reports later, or that the all-industry committee will report for them.

"We are gathering a little here and a little there," said Mr. Lackey. "The prime objective is revision of state laws towards the end suggested by public law 15."

W. L. Schaefer Named at Buffalo

Commercial Union has appointed William L. Schaefer as special agent at Buffalo, N. Y.

that he had been denied the privilege of appearing before the I.M.U.A. to argue for such liberalization.

He said he is pleased that the budget plan for fire insurance has been made available in Michigan. It is being extensively and successfully used.

The new U. & O. rules were criticised in several respects.

Wyoming Agents Meet at Casper

(CONTINUED FROM PAGE 4)

pared to meet this next step in package underwriting progress.

Mr. Stone gave figures on automobile, residence theft, and plate glass loss ratios and said that the 1946 experience for these lines will be even worse than for 1945 because of the greatly increased coverage in the theft policies, the fact that the cost of glass replacements has risen 15%, not including labor cost, and the fact that there is an alarming increase in crime which affects burglary and fidelity lines. He also mentioned the tight underwriting situation in certain types of automobile lines such as long haul trucks, butane and propane trucks, taxis, buses and public carrier vehicles.

Stressing the need of informing the public of the alarming accident situation, Mr. Stone told of what the federal government and the casualty companies are doing in the way of highway safety programs and said that an effort should be made by the Wyoming agents to have the National Conservation Bureau's driver training program accepted and set up in the schools of the state.

George duR. Fairleigh, treasurer and assistant secretary of the National association, was a speaker.

Arnold Huppert, secretary of the Montana Assn. of Insurance Agents, was the featured speaker at the banquet. He told of the advantages of organized association efforts and the excellent results of such activities in Montana. Herbert Cobb Stebbins of the Cobb & Stebbins general agency at Denver, was toastmaster.

Plan Public Relations Program

BOSTON—An enlarged public relations plan will be launched the coming season by the Bay State Club under Vice-president M. F. Bardorf as chairman to increase public knowledge and understanding of the fire insurance business. Plans will be outlined at a luncheon meeting Sept. 23. Eight teams will carry on the work and regular information will be sent a selected list of 5,000 persons prominent in public, civic and manufacturing circles. The club will open its regular series of Friday evening dinners and meetings Oct. 8.

Enlarge St. Louis Classes

ST. LOUIS—Unexpectedly large enrollment for the fire prevention and personnel safety course given jointly by the St. Louis fire department and safety council will require organizing three classes instead of two. The classes started Sept. 9 and will continue through Nov. 18. A primary course and an advance course will be concluded Nov. 18 with a fire prevention clinic for students of both courses.

DETROIT INSURANCE AGENCY

Underwriters of all forms of insurance

**Fisher Building
Detroit**

G. W. CARTER
President

H. L. NEWMAN
Vice-President

L. J. LEPPER
Secretary-Treasurer

Mo. Agents Annual Parley

(CONTINUED FROM PAGE 6)

Saturday was given over to reports of various committees and elections of officers for the coming year.

H. J. Ramsey of Kansas City, farm state agent of Home, outlined in his address suggestions for combating mutual competition in the farm field. He emphasized the importance of positive salesmanship, particularly a skilful approach to the prospect. Timing is important. The prospect should be given time to express his ideas and then the psychological moment should be seized upon to make the sales presentation. Once the right environment is created, the agent, in solicitous fashion, should inquire about the farmer's insurance program and should offer to make an appraisal. As that is being done, the agent should suggest changes and improvements that would improve the rate and should endeavor to hold the farmer's interest. A reasonable insurance program on each item should be suggested.

Calculating the Premium

The premium should be calculated on the term basis that is likely to be the most acceptable to the farmer and then say:

"For \$... for the term, if cash plan, or for each year, if installment plan, we can insure each item for such an amount against the perils of fire, lightning, windstorm, hail, and extended coverage." Then explain the extended coverage. Never quote rates. Always premium.

At this point the question of mutual insurance is likely to bob up. It is advisable to let the farmer have his say on the subject and then ask to see the mutual policy.

Usually points of broader coverage can be cited in the stock contract, especially the provision for 10% off premises cover. Most mutuals limit cover on harness and farm vehicles to the premises whereas the stock policy insures them on and off. Also the fact that extended coverage is available from stock companies should be emphasized.

He suggested that when the matter of cost is brought up the agent read Section 6040 of the Missouri revised statutes:

"Every member of said company shall be and hereby is bound to pay his proportion of all losses and expenses happening or accruing in and to said company; and all buildings insured by and with said company, together with the right, title and interest of the assured to the lands on which they stand, shall be judged to said company, and the said company shall have a lien thereon against the assured during the continuance of his, her or their policies."

Uses Homely Illustration

Next, have in mind some special item or items he owns; for example, a modern dwelling, a Buick car, a high priced bull. Ask him, why not an unmodern dwelling, a cheap car, or any ordinary bull. They would have cost less. Point out to him that the cost of your stock company policy is established and even guaranteed, and that he knows before executing the contract exactly what it will cost him for the term purchased. Show him that under his mutual contract, the cost to him is dependent upon the losses and expenses during the term of his contract, all of which are problematical, and not verified by past experience. Ask him if he would sign your contract if he had to wait until the contract expired to know what it would cost him. That is exactly what he does when he signs a mutual contract.

Your success, after this explanation, depends largely on the manner in which you have presented it.

If the agent can sell one out of 10 prospects his average is satisfactory and one sale is likely to lead to others in the neighborhood.

The agent should be willing to go to the farmer's home and if the weather is inclement that is likely to impress the prospect with the agent's sincerity and interest.

Gives Underwriting Tips

A. B. Potts of Sedalia special agent of Hartford Fire, complemented Mr. Ramsey's talk with a discussion of underwriting and servicing farm risks. Good underwriting and good soliciting go hand in hand, he said. In other words if the sale has been made in such a way that the farmer has confidence in the agent the insurance program can be intelligently arranged and the risk improved. The agent should possess a knowledge of the farm and make a survey so as to be able to make recommendations for reasonable amounts of insurance in harmony with operations of the farm. A careful inspection of the farm pleases the farmer.

Since farm property is peculiarly susceptible to total loss the agent should point out all hazards. Careless storing and location in the barn of tractors and other self propelled vehicles is a common practice. Any farmer is willing to cease storing gasoline in hazardous locations when it is brought to his attention.

Most farm hazards are small and easy to detect, such as non-standard chimney and stove pipe arrangements, storing of worthless furniture, old clothing or waste papers in the basement, spare room, or attic.

Insist on Proper Balance

The agent should be firm in trying to effect a balanced program rather than merely taking an order for what the farmer thinks is his greatest need. Farm underwriting becomes essentially a matter of a fair appraisal of all values and recommendations for elimination of hazards.

Servicing, he defined, as "an everlasting program throughout the period of time for which the policy is written." When the policy is written for a five year period, especially for the larger farmer, there should be a checkup or two in the interim of fire hazards, betterment or improvements to buildings, necessitating additional insurance, change in method of farming, additional storage space, equipment and live stock.

The assured should be cautioned about permitting smoking in heavily loaded barns. Copper cable lightning rods properly grounded should be recommended, together with replacement of wood shingle roofs on dwellings with fire resisting material.

Collect First Installment

Mr. Potts counseled the agents to attend closely to collection of installment premiums. The five year installment plan is usually the best, but effort should be made to collect the first installment at the time of writing the application and never should it be deferred more than 90 days and then only when a note is given.

"Let the farmer know you want to impart to him all your knowledge of the business and that you have his welfare and security uppermost in mind," Mr. Potts concluded.

George F. King of Columbia, in his presidential address, reported a year of progress and activity. In the membership program the decision was to build the hard way by stimulating formation of local boards and to bring unattached local units into the state organization.

Mr. King spoke with satisfaction on the acquisition of E. L. Scheufler, former Missouri superintendent, as general counsel. He said the association had enjoyed the cooperation of Superintendent Jackson.

He enumerated the many services performed at headquarters by Executive Secretary B. G. Gregory and credited him in large part for the increase in membership from 487 to 610.

E. J. Leahy, manager of the consumer credit department of Mercantile Home Bank & Trust Co., Kansas City, in giving an address on the bank-agent plan,

recommended that the agents elevate their sights and look upon the plan as a working arrangement between the agent and bank whereunder the agent may utilize credit in developing the long range program of his customers. The agent has a package to sell in the form of a complete programming of insurance wrapped up in a monthly budget proposal, and the finance company cannot reach the agent's customer on that basis. He suggested that the agent use the bank-agent plan as an added personal service to his client. He should not expect too much from mass solicitation by direct mail.

The country, he predicted, is entering into a vastly expanded consumer goods market and the insurance agent controls the best source of consumer credit potential in every community. There is a cheap money market and bank interest is the lowest in history. The agent is rendering a real service by assisting in the establishment of bank credit for a customer. This credit can be used as the source of long-range insurance programming. The agent is in a preferred position so far as the insurance market is concerned because all of the larger companies are concentrating on the development of agency volume to the exclusion of finance company business.

The local agent should start immediately to tell his customers and continually remind them that he has a complete customers service with his bank-agent plan. The greater the number of agency customers that know about the plan the more successful will it be.

The agent should think of the plan as providing facilities beyond the automobile field. An arrangement with the bank makes possible financing of premiums and assisting the assured in personal loans or loans for purchases of household needs. It can be an all-inclusive program to fit all of the credit requirements of the customer.

Bank credit should be considered as a medium whereby the agent is able to introduce his customers to the long range program and for reducing sales resistance because of lack of cash for immediate outlay. The agent should analyze all of the insurance needs of his customers and then be prepared to offer them a monthly budget program.

Scheufler on Legislative Prospects

E. L. Scheufler, counsel of the Missouri association and former Missouri superintendent, reported that the financial responsibility law will soon be effective and, although some would have liked a stronger bill, Missouri is at least looking forward to the better protection of the public. He also said that the association is trying to work out a reasonable common ground for an agents and brokers qualification bill which will protect the interest of all concerned, agents, brokers, the public and insurance companies.

As to rating legislation, Mr. Scheufler agreed with the remarks of E. C. Stone, U. S. manager Employers Liability, who spoke on the same program, that there is no requirement that state rating laws be uniform. He said the Missouri association is cooperating with the Associated Industries of Missouri and other public groups, as well as with the Missouri insurance department, to work out a proposal which will best serve the public interest. He said that the so-called "pattern bills," being worked out by the all industry committee and the National Assn. of Insurance Commissioners, are not represented as being perfect, but that he is highly optimistic that these problems can be solved by proper education, reasonable cooperation and fair play.

Superintendent Jackson congratulated the Missouri agents on obtaining the services of his predecessor, E. L. Scheufler, as counsel in the preparation of an agents' qualification law and pledged Mr. Scheufler and the agents his full cooperation. He said the responsibility for improving the standards of the in-

surance business rests upon the veterans in the business, and specifically upon the association.

No American business, Mr. Jackson said, ever has yielded to its agents the right and authority to manage and direct its affairs to the extent that the insurance business has. He said the agent is distinctively an American institution, utterly foreign to the class distinctions, grounded on vocation, of Europe. The rewards of an insurance agent are greater than those of the professions because the agent does not sit waiting for business, but goes out and gets it. The agent, he pointed out, must be able to explain complicated terms and coverages, have an accurate knowledge of human nature, be convincing, interesting and persistent. Mr. Jackson added that at the age of 18, he made one attempt to become an insurance agent, but after spending all afternoon trying to sell life insurance to a country merchant, with the result that the prospect finally disappeared, he said he resolved then and there never to be so polite and patient again.

Clifford Jackson of Mountain Grove, reporting as chairman of the outstate agents' committee, said that meetings are projected for outstate agents in central localities on a regional basis. Emphasis will be placed on sidelines for which there is a market, but which producers have been overlooking. The meetings should be open to any stock company agents. The agents in the smaller places should be urged to take greater interest in fire prevention activities.

Editorial Pallor Is Caused by Rush of Conventions

THE NATIONAL UNDERWRITER this week was taxed to the utmost in its manpower resources because of the heavy concentration of conventions. In all 12 important insurance gatherings are reported in the various editions that are being printed this week.

Four editorial men are at Cleveland where three special daily editions are being produced during the convention of the National Assn. of Life Underwriters, they being Howard J. Burridge, Frank Post, John C. Burridge and C. W. Bailey.

In addition Robert B. Mitchell, eastern editor, worked with that group at Cleveland over the week end after attending the meetings of the N.A.I.C. executive committee and all-industry committee at Syracuse. He then went on to Chicago to aid in the heavy editing duties there and returned to Cleveland to assist in getting out the final edition there.

James C. O'Connor was at Columbus Monday and Tuesday reporting the annual meeting of the Ohio Assn. of Insurance Agents.

Charles M. Cartwright journeyed to Asheville, N. C., for the meeting of the Western Underwriters Assn. Incidentally the first W.U.A. meeting he reported was 50 years ago at Saranac, N. Y.

Richard Thain was at French Lick, Ind., for the annual meeting of the Million Dollar Round Table.

William A. Scanlon covered the convention of the Vermont Assn. of Insurance Agents at Fairlee.

Kenneth Force was on hand for the meeting of the International Assn. of Insurance Counsel at Wernersville, Pa., and at the convention of the Pennsylvania Assn. of Insurance Agents at Harrisburg.

Levering Cartwright reported the gathering of the Michigan Assn. of Insurance Agents at Port Huron.

W. J. Gessing, Jr., attended the convention of the Missouri Assn. of Insurance Agents at Kansas.

In addition there were covered by other than staff men the conventions of the International Claim Assn. at Quebec and Wyoming Assn. of Insurance Agents.

The work was rendered more difficult by the curtailment of printing services at Chicago.

Ohio Agents Elect May President

Legislation Draws Top Attention at Columbus Meeting

Boynton in Second Spot, Forums Make Hit with Crowd

NEW OFFICERS ELECTED:

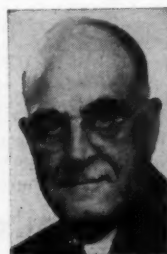
President—Gustav May, Cincinnati.
Vice-president—H. S. Boynton, Toledo.
Trustees—Theodore Safford, Cincinnati; H. M. Turner, Springfield, J. W. Barrett, Cleveland.
State national director—J. F. Van Vechten, Akron.
Executive secretary—T. M. Gray, Columbus.

By JAMES C. O'CONNOR

COLUMBUS—With 314 registered, the Ohio Assn. of Insurance Agents at its annual meeting here gave serious attention to the legal and legislative problems confronting the insurance business. The association is in good shape and there was an obvious and predominant undercurrent of satisfaction over the administration of President Leeds Bronson, Hamilton, and Executive Sec-



T. M. Gray



J. F. Van Vechten

retary T. M. Gray, as well as with the way State National Director J. F. Van Vechten, Akron, has represented the association as a member of the executive committee of the National Assn. of Insurance Agents.

The Ohio association took no official public position on legislation and the only indirect reference to it in the resolutions adopted was one urging the legislature to reappraise the functions of the insurance department with a view toward financing its supervisory activities adequately and properly implementing the superintendent's authority.

Another resolution commended the resolution of the N.A.I.A. at its mid-year meeting at Cincinnati which attacked company branch office tactics and urged that companies cease providing policy writing service to agents who get full commissions, also to stop housing agents and furnishing agency service.

Emphasis on Legislation

The best indication of the predominant interest of the Ohio agents was seen in the two day program. There were only three formal speeches and two of these—that of Guy T. Warfield, Jr., Baltimore, National Association vice-president, and the dinner address of E. W. Sawyer, New York, counsel for

Sawyer Warns Against Rigid State Regulation

Legalizing Unfair Tactics Worse Than Federal Anti-Trust Laws, Counsel Says

COLUMBUS—"In our zeal to abrogate the application of the federal anti-trust laws to the insurance business we must exercise the greatest possible caution; else we shall find that in the enactment of state regulatory laws we have substituted for federal protection of free enterprise state straitjackets that could destroy it. Insurance in a free economy must be free, both from undue interference by the government and from arbitrary power of groups within the business."



E. W. Sawyer

Thus did E. W. Sawyer, New York, counsel for the National Assn. of Casualty & Surety Agents and National Assn. of Insurance Brokers sum up his views on the present status of insurance under public law 15 at the meeting of the Ohio Assn. of Insurance Agents here. Mr. Sawyer was the principal speaker at the dinner Monday night.

Purpose of Anti-Trust Laws

Reviewing the growth of combinations in restraint of trade and the abuse of economic power by individuals and groups, Mr. Sawyer pointed out that the four federal laws now so important to insurance—Sherman, Clayton, Robinson-Patman and federal trade commission acts—are for the protection of the general public but, without exception, were sponsored by small business men who were being forced out of business by large organizations. He said that for the last 50 years the small business man has been sold a bill of goods and led to believe that curbing abuses in the free enterprise system is an attack on the system itself. The only exception to this rule occurs when a small business man is himself the one who is squeezed.

Every insurance producer, Mr. Sawyer emphasized, is "small business" in the insurance field, no matter how large his personal or firm's business may be. He should be the person most determined not to let free competition in insurance be stifled by too restrictive

a number of insurance groups—were directly concerned with the important issues affecting insurance. The only other address was the talk of H. C. Klein, New York, secretary New York Underwriters, on business interruption insurance at the lunch which concluded the meeting.

Two forums, one on education and the other on fire insurance rating, preceded the main convention sessions Monday morning and drew surprising crowds, which overflowed both meeting rooms. The largest crowd attended and closely followed the Monday afternoon session on legislation, at which P. R. Gingham, general counsel, reviewed the Ohio picture carefully. No positive stand was taken, but the discussion showed the interest of every member.

State Director Van Vechten will go to the Denver meeting of N.A.I.A. without instructions on how to vote on the proposed amendment to the constitu-

laws, or by abuses within the business itself—and the danger is equally great from each side.

Mr. Sawyer said that it is well to recall that the indictment in the S. E. U. A. case charged the insurance companies with "a catalogue of economic blackjacking equaling that any other business had produced." While no one knows whether the government could have proved all of them, it should be remembered that each charge accused the companies of a practice which would stifle the right of a producer, an insurance company or a member of the public to individual liberty and free enterprise. He said it is not difficult to understand why organizations of insurance companies prefer to continue as they had been operating, but he never could understand why insurance producers and independent insurance companies ever lent their support to the unsuccessful attempt to exempt insurance from the anti-trust laws.

Reviewing the four pertinent federal laws, Mr. Sawyer said that no one will think that public law 15 was intended as "an invitation by congress to the insurance business to change from private law breaking to state-legalized law breaking." The intent, he believes, is to permit a state to regulate insurance contrary to the Sherman act only as to matters which require a different treatment in the public interest, such as combining in rating organizations to provide adequate statistics—but not to legalize rate making practices which will stifle competition.

Clayton Act O K

As to the Clayton act, Mr. Sawyer said he knows of no group or fleet of insurance companies which seems to lessen competition to a degree in violation of the law and hence there is no need for state legislation on this point. The Robinson-Patman act, with the exception of possible trouble over the payment of brokers' commissions, prohibits only discriminatory practices which no fair-minded person would uphold in the insurance business and hence the only concern should be for adequate state anti-discriminatory laws.

Because of the nature of the federal trade commission act, Mr. Sawyer said he doubts that it could be ousted by state regulatory laws, unless 49 separate and similar state laws should be passed. There should, he said, be no opposition to insurance being under this federal law, if the business does not seek to preserve unfair practices.

Among other things, the proposed amendment would substitute an entirely elected executive committee for the present setup. While the majority sentiment in the Ohio association is opposed to the amendment, it was felt that there is so much possibility of the amendment being torn apart before coming to a vote that Mr. Van Vechten should be free to use his discretion in the light of what may be actually facing him.

The annual dinner filled the main ballroom of the Neil House. In addition to Mr. Sawyer and the presentation of the awards for distinguished service, R. L. Moulton, Galion, Ohio director of commerce, who is in charge of the insurance department, spoke. A young political leader of the state, Mr. Moulton, made a splendid impression with his brief statement that the function of the department is not to be policeman ex-

(CONTINUED ON PAGE 35)

Bronson Reports Great Year for Ohio Association

President Says Legal Picture Is Better—Group in Good Shape

COLUMBUS — President Leeds Bronson, Hamilton, in his report at the meeting of the Ohio Association of Insurance Agents here, said that the association is in the soundest position in



Leeds Bronson

its history and that the legal and legislative picture has cleared considerably in the past year. With eight new local boards created during the year, the Ohio association is now the fourth largest in the country and is pressing New York closely for third place.

The most outstanding achievement of the Ohio association, Mr. Bronson said, has been its educational work. He praised Superintendent Dressel for his cooperation in revising and strengthening the license examination standards.

Commenting on the two U. S. Supreme Court decisions of last June and the victory of the insurance interests in the District of Columbia rate case, Mr. Bronson said that the defeatists who a year ago said state supervision was dead have been thoroughly confounded. The all-industry committee and the National Association of Insurance Commissioners have agreed upon at least a general pattern of needed legislation. It is the opinion of the legislative committee, he said, that the present laws of Ohio are fairly adequate as to fire insurance.

After pointing out that the Ohio association has met the attacks of the automobile financing interests head on, Mr. Bronson praised the work of the association leaders. He mentioned J. F. Van Vechten, state national director, H. T. Minister, treasurer, who he said is responsible for the sound finances of the association, and P. W. Tribolet, chairman of the farm writing agents committee. He particularly praised T. M. Gray, executive secretary saying that he has won the respect and admiration of agents throughout the country, and calling attention to Mr. Gray's public relations work with other trade groups.

Ley Made O. S. U. Dean

COLUMBUS—Dr. J. Wayne Ley, who has been professor of business organization at Ohio State University here in charge of property insurance courses, has been promoted to assistant dean of the college of commerce. He will continue to supervise insurance courses.

After graduating from Harvard law school, Dr. Ley came here in 1920 as part time law instructor at Ohio State, also practicing law in Columbus. In 1933, he went to Washington with the Department of Agriculture. He returned to Ohio State in 1938, as assistant professor in commerce. He was promoted to full professor in 1945.

Hukill Explains Fire Insurance Rating Procedure

COLUMBUS—At the Monday morning forum on fire insurance rates during the meeting of the Ohio Association of Insurance Agents here, Ralph W. Hukill, Norwood, manager, Great American, outlined the development of schedule rating and its basic principles and participated in a general discussion of the subject. Robert Klie, Columbus, district trustee of the association, presided.



R. W. Hukill

The first schedule on record, Mr. Hukill said, was used in Philadelphia in 1782. The only fire insurance company doing business then suddenly announced it would not insure houses with trees in front, either because of lightning danger or because trees interfered with fire fighters. A new company was formed, which agreed to insure house with trees at an additional charge.

Chaos of Competition

It is a long way from a single charge to the present Dean schedule, which "makes charges or gives credits for every tangible thing about a risk which can in any possible way affect the fire hazard," Mr. Hukill said. The original idea of A. F. Dean was not to devise a rate schedule, but to offer a defensible means of making exposure charges. The system has evolved constantly. It is not and never will be perfect, but its principle remains unchanged and it is constantly being improved.

At one time, fire insurance rates were quoted by field men of insurance companies and were cut so often that companies did not collect enough premiums to pay their losses and expenses. That led to the anti-discrimination law of Ohio, requiring fire insurance companies to charge the same rate on similar property. As a result, practically all companies doing business in the state subscribe to the uniform schedules of the Ohio Inspection Bureau.

Rate Structure Has Proved Sound

Mr. Hukill pointed out that, because of the scientific accuracy of the Dean schedule and its administration by the Ohio Inspection Bureau, the rate structure has withstood the test of time and insurance is on a sound basis, offering the public unimpeachable protection.

The major part of Mr. Hukill's talk was a discussion of every step in rating a hypothetical grocery store, using a mimeographed makeup which Mr. Hukill distributed. In the discussion which followed, the overflow crowd was particularly interested in exposure charges and methods of reducing conditions which cause penalties.

E. F. Gallagher, Columbus, state agent of Plant, formerly with the Ohio Inspection Bureau, assisted Mr. Hukill in the discussion. In answer to one question, Mr. Hukill said that any insured who believes himself discriminated against may request the Ohio department for a review of the inspection bureau's rate and procedure.

H. S. Bowen New Ohio Trustee

H. S. Bowen of Norwalk was appointed as a district trustee of the Ohio Assn. of Insurance Agents to take the place of H. S. Boynton of Toledo who is the new vice-president.

Kenneth Ross, secretary of the Arkansas City (Kan.) Insurance Board and Mrs. Ross are the parents of a new daughter, Janet Lynn. Mrs. Ross operated the agency while Mr. Ross was in service.

Education Must Be on Multiple Lines, Farrer Maintains

COLUMBUS—At the educational forum which opened the meeting of the Ohio Association of Insurance Agents here, R. E. Farrer, New York, educational director National Association of Insurance Agents, analyzed the services of competent insurance agents and contrasted this performance with the useless type of agent. He emphasized common errors of uninformed insurance producers which result in outright financial loss to the public.

Mr. Farrer pointed out strongly that insurance education is not only necessary, but must emphasize multiple line underwriting, the most important insurance issue of today.

The only way to achieve the proficiency need in modern insurance, Mr. Farrer said, is through the organization of local study groups following the standard National Association course. He urged each agent to foster such groups in his own locality. The ultimate goal, he said, is the attainment of a complete professional status, exemplified by the C.P.C.U. designation.

E. R. Chase, Medina, presided at this session. An open forum discussion followed Mr. Farrer's remarks.

Farm Writing Agents Plan Regional Series

COLUMBUS—The farm writing agents committee of the Ohio Assn. of

Sidelights of Buckeye Gathering

The physical aspects of the meeting of the Ohio Assn. of Insurance Agents at Columbus were well handled and there were few complaints. Most registrants got their hotel reservations with a minimum of trouble and the Neil House did a good job serving meals and providing the other needed services. The most unpleasant feature was the heat and humidity of the first day. The meeting room, on the mezzanine floor, was not air-conditioned. Windows were open and the Columbus street cars and fire engines provided serious competition for the speakers. It was cooler Tuesday, though the street noises were still going strong.

The unprecedented jam of state association conventions the first two weeks of September spread company officials very thin. Ohio had the smallest representation from home offices and western departments in many years, the condition being intensified by the fact that most officials had been at the N.A.I.A. mid-year meeting at Cincinnati last May and to a great extent felt obligated to go elsewhere at this time. Practically all companies, however, were represented by field men. The crowded condition of hotels made it impossible to secure many elaborate headquarters suites, but hospitality was dispensed cordially in simpler surroundings and no one needed to suffer from dusty tonsils.

President-elect Gustav May, Past President H. L. Meek and Hugh Barnett were the general committee and won praise from everyone for the way the meeting was handled. They were assisted by the host committee from the Columbus board, consisting of J. E. Best, Walter Burkley, Walter Burkley, Jr., Fred Jaeger, Jr., Richard McCann, James Macklin and A. J. White.

There was general satisfaction over the return of Theodore Safford, Cincinnati, to Ohio association office as district trustee. Mr. Safford, a past president of the Cincinnati board, served as district trustee for several years, during a crucial time in the association's history, before entering the army. He served in the chemical warfare department, mostly in Washington, rising from captain to lieutenant colonel.

Fidelity & Deposit had an interesting exhibit just outside the meeting room

Insurance Agents under the leadership of P. W. Tribolet, Bellevue, had an attendance of about 35 agents plus several company representatives at its breakfast conference during the meeting of the association at Columbus. The committee discussed plans for a series of district meetings throughout the state similar to the successful series Mr. Tribolet engineered before the war.

There were no set speeches at the breakfast but round table discussions on underwriting and sales problems. Donald Grisier, Waseon, led the discussion on farm fire insurance and extended coverage; Karl Dakin, Lebanon, on farm liability insurance and Mr. Tribolet on hail insurance on growing crops.

Rutherford Wins Top Ohio Award

COLUMBUS—Dwight Rutherford, Athens, was presented with the Paul Revere award of the Ohio Assn. of Insurance Agents, for the outstanding work in the service of insurance during the dinner here Monday evening. J. W. Barrett, Cleveland district trustee of the association, read the citation.

Additional Awards Made

Other awards for distinguished service went to H. T. Minister, Columbus; Clayton G. Hale, Cleveland; John R. Hare, Bellefontaine; E. R. Randall, Greenville; K. C. Rowland, Toledo; T. A. Makley, Dayton; R. R. Schreyer, Lima; J. F. Van Vechten, Akron; Prof. J. W. Ley, Ohio State University, Columbus; E. R. Chase, Medina and E. J. Schmidt, Hamilton.

at the annual meeting of the Ohio Assn. of Insurance Agents which attracted many visitors. Coffee and doughnuts were on tap at all times and free local telephone service was provided. The company also followed its custom of delivering a morning newspaper to the room of each registrant. D. E. Buckler, agency manager, represented the home office. Vice-president C. H. Kuhn and Manager C. F. Herwig were on hand from Cleveland in addition to F. J. Roelle, Cincinnati manager, and G. R. Freaner, Columbus manager.

Dr. J. Wayne Ley, professor of insurance at Ohio State University, was an interested spectator.

Ohio Farmers had headquarters under D. L. Jones, agency superintendent.

American Automobile headquarters were in charge of C. H. Sanders, resident vice-president at Cincinnati, assisted by L. A. Masterson, Cincinnati, agency supervisor, H. W. Donovan, Columbus, field supervisor, and J. S. Borie, Cincinnati, liability supervisor.

Past presidents introduced at the dinner by Secretary T. M. Gray included: H. S. Martin, Toledo; Paul Kridler, Fremont; H. L. Meek, Columbus; Karl Dakin, Lebanon; Austin McElroy, Columbus; W. A. Earls, Cincinnati; J. F. Van Vechten, Akron; H. T. Minister, Columbus; John Greenwood, Warren, and Charles Rodibagh.

U. S. F. & G. had attractive headquarters staffed by the company's four Ohio managers: U. L. Trice, Cincinnati; L. B. Wood, Cleveland; L. E. Raegan, Toledo, and M. E. Dudley, Columbus.

H. S. Bowen, Norwalk, flew his own airplane to the convention, despite the handicap of a foggy day.

Continental Casualty headquarters were in charge of R. W. Harvey, Chicago, agency secretary, Robert Vollried, Chicago, vice-president Transportation, and A. C. Herrmann, Columbus manager. C. J. Lingenfelder, secretary, and W. M. Speth, chief examiner, represented the western department of American Fore.

Ohio Casualty headquarters were in charge of H. E. McGrew, vice-president from the home office, D. W. Page, Cleveland manager, and J. D. Lecky, vice-president Ohio Ins. Co.

Superintendent Dressel was out of town, having had to make several stops on his way back from the Syracuse meeting of the insurance commissioners.

Commerce Director R. L. Moulton, Mr. Dressel's superior in the state hierarchy, made a hit at the dinner and L. U. Jeffries, insurance department warden and career man, was introduced at the Tuesday luncheon.

M. W. Slawson, vice-president of Royal, Eagle and Globe Indemnity, represented the Royal-Liverpool U. S. head office.

New Ohio Officers Veteran Leaders

Gustav May, Cincinnati, the new president of the Ohio Assn. of Insurance Agents, is a past president of the Cincinnati Fire Underwriters Assn.

and has been a leader in Cincinnati and Ohio insurance circles during his 28 years in the business. He has also served on a number of committees of the National Assn. of Insurance Agents.

A graduate of University of Cincinnati, Mr. May has taught insurance courses there for a number of years. During his presidency, the Cincinnati Board undertook much of its successful educational work.

Mr. May has been associated with many important civic enterprises, including the Y.M.C.A., of which he is a member of the national council and has been active in international war prisoner work, Chamber of Commerce, community chest, Christ Church and Kiwanis Club, of which he is a past president.

Boynton Born in Canada

H. S. Boynton, Toledo, the new vice-president, is a native of Toronto, and graduated from University of Toronto and did post graduate work in music at Syracuse University. He started with Metropolitan Life at Syracuse in 1912 as special agent, traveling over the United States and Canada, with headquarters at Elmira, Troy and Winnipeg.

In 1931, Mr. Boynton went to Toledo as Metropolitan Life manager. He resigned in 1923 to enter the agency then known as Long, Boynton & Reginold, the parent of which is now 82 years old. Early this year, he acquired sole ownership of the agency, now known as H. S. Boynton & Co. He is also president and treasurer of the Knepper-Willits agency.

Mr. Boynton served two terms as president of the Toledo Board and was district trustee of the Ohio association. He is a musician of note and is director of a number of choral groups.

Farewells for Sawyer and McCray

COLUMBUS—The Ohio Blue Goose and the Ohio field organizations held a dinner here Tuesday evening in honor of W. A. Sawyer, Cleveland, state agent Fireman's Fund, and C. C. McCray, Columbus, state agent Great American, who are retiring. An exceptionally large crowd turned out as most Ohio field men were in the city for the Ohio Assn. of Insurance Agents meeting.

Mr. Sawyer, after 39 years with Fireman's Fund, is going to California to make his home. After graduating from Eastern University he started with Sanborn Map Co., later going with Springfield F. & M. He was with Fireman's Fund at Columbus for a number of years before going to Cleveland. He is a charter member of the Ohio Blue Goose.

Mr. McCray started in the insurance business in his father's agency at Logan, O., in 1896. He joined the old Rochester-German in 1902. The company later became Rochester-American before being taken over by Great American.

He was a member of the first class of goslings of the Ohio Blue Goose and is a past most loyal gander.

Mr. McCray was presented with a radio-victrola and Mr. Sawyer with traveler's checks. E. F. Gallagher, Planet, was toastmaster.



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Legislation Draws Top Attention at Columbus

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cept where obviously required, but to assist and cooperate with Ohio business in every legitimate way. He was introduced by Rep. J. F. Contwell, Youngstown, minority leader of the Ohio house, who is also a member of the Ohio association. Clayton G. Hale, Cleveland, introduced Mr. Sawyer.

The farm writing agents breakfast Tuesday morning drew a good crowd and there was a fine turnout for the business session Tuesday morning, at which President Bronson delivered his report and Vice-president Gustav May, Cincinnati, was elected to the presidency. President-elect May presided at the final luncheon session and urged the cooperation of all members in facing the serious issues before the business. The presidents of the Ohio local boards were featured at the luncheon.

Awards for Achievements

One of the features of the banquet Monday evening was the presentation of awards to members. The Paul Revere Trophy was presented to Dwight H. Rutherford, president Athens County Assn. This trophy was given to the Ohio Assn. some years ago by the Cleveland board, to be awarded each year to the member who had made the most outstanding contribution to the work. This trophy previously was won by C. G. Hale, Cleveland; K. V. Dakin, Lebanon; E. B. Berkeley, Cleveland; H. T. Minister, Columbus, and J. F. Van Vechten, Akron. This is the second time that it has been awarded to an agent from a rural section, Mr. Dakin being the other recipient.

Modern plastic plaques were awarded to nine members in recognition of distinguished services rendered on behalf of the resident agency system and for their contribution to the public interests. Those receiving the plaques are T. A. Makley, Dayton; J. R. Hare, Bellefontaine; E. R. Randall, Greenville; K. C. Rowland, Toledo; E. R. Chase, Medina; Mr. Van Vechten, Akron; H. T. Minister, Columbus; C. G. Hale, and R. R. Schryer, Lima.

Next year awards also will be given to agencies which make the most outstanding contribution to insurance.

Judge Sawyer's Comments

Clayton Hale introduced Judge Sawyer. He said:

"Swirling around in the flood of speeches and writings relating to January, 1948, alterations in the insurance business one finds occasional items of rare insight and discernment. I notice that Elmer W. Sawyer contributed such an item when, in a recent report to one of his clients, he made the point that resident agents are probably as much interested in agency qualification laws as they are in model rating laws. He certainly was correct.

"Historically it has been the leaders among the agents themselves who have worked for higher standards of knowledge and of conduct. They have carried along and raised up their own fellow agents, they have pleaded with the companies to curtail indiscriminate appointments, and they have constantly upheld the hand of government authority in this respect. In Ohio we had local boards doing this work a quarter of a century before we had a state division of insurance.

"The effectiveness of the administration of these state insurance departments is, of course, one of the matters which the federal government has brought into question and in which resident agents are as interested as they are in laws of any kind."

Speaking on the subject, "The National Association at Work for You," Guy T. Warfield, Jr., N.A.I.A. vice-president, declared that the body is a democratic organization. "That means," said Mr.

Warfield, "that we want and tolerate no hint of dictatorship. Every decision that we make is necessarily a split decision at one stage of the game. In democracies we take a vote. There is a majority and there is a minority. It is the duty of the minority to bow gracefully to the will of the majority. That is the democratic process.

"Do not be disturbed when you see arguments in your state or national councils, even in the insurance business. That is the way of progress.

"It is only in the dictatorships that there is but one candidate and one expressed opinion. Thank God we are not like that nor will be ever be in my judgment, for the American agent is an independent individualist who is typical of free American business."

Mr. Warfield remarked that the membership has just passed the 22,000 agency mark and that accounts for at least 100,000 individuals directly concerned with the activities of the association and working to help and defend the business.

Mr. Warfield spoke of the political activity of the association, not so much as an association as by the individuals who comprise it, who are American citizens taking a proper and independent part in political activities in their own communities. "One thing the National association says and that is that you must do your own political job. I am persuaded that the overwhelming majority of Americans are sick of pussyfooting by our legislative and administrative officials. I am persuaded that the majority of Americans are disgusted with a weak and spineless attitude towards industrial strife. I am sure that the great majority of Americans, and I know it is true of the agents of this country, are ashamed to the bottom of our hearts that this great country should be plunged into industrial strife at a time when the world needs every bit of American production."

Agents Finance Co. Holds Luncheon at Ohio Meeting

Agents Finance Co. of Indianapolis gave a luncheon attended by about 50 agents during the meeting of the Ohio Assn. of Insurance Agents at Columbus. R. E. Osborne, executive secretary, was host.

R. S. Coffin, vice-president, discussed the new automobile finance plan of the organization and distributed supplies and instruction manuals to the agents. He said that the plan had been discussed with the trustees of the Ohio association and approved by them, but that Agents Finance Co. would not offer its motor club service in areas where the local motor club does not solicit insurance.

T. L. Hicks and C. L. Sherlock, field managers at Dayton and Columbus, were introduced, as was Lowrey Bishop, Indianapolis, general manager of American Motor Club.

Iowa Blue Goose Holds Session in Des Moines

DES MOINES—Iowa Blue Goose held its first fall meeting with E. A. Smith, most loyal gander, presiding. Committee reports and plans for the winter season were discussed.

The pond will hold its first fall affair Sept. 21 with a picnic at Water Works park. Iowa fieldmen will hold their first fall inspection at Knoxville Sept. 27. W. H. Hankinson, National Fire, president Iowa Fire Prevention Association, announced.

A number of members were reported on the sick list. Art Holm, Home, was back after 10 days in hospital. Earl Van Steenberg, special agent in the fire department for Home, also is back following an appendicitis operation last month. W. H. Gehringer, special agent in the Home's hail department, was in Iowa Methodist hospital with pneumonia.

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KANSAS CITY

NEW YORK
CHICAGO
SAN FRANCISCO
LOS ANGELES

Record Crowd for Insurance Attorneys' Parley

More Than 500 at Wernersville; Look for Increase in Insurance Litigation

NEW OFFICERS ELECTED

President—Paul J. McGough, Minneapolis.

Vice-presidents — Price Topping, New York; John Barton, Omaha, and Lowell White, Denver.

Secretary — David I. McAlister, Washington, Pa.

Treasurer — Robert M. Noll, Marietta, O.

Editor—George W. Yancey, Birmingham, Ala.

New members executive committee—Alvin R. Christovich, New Orleans; Wayne Stichter, Toledo, and Duncan Lloyd, Chicago, and Retiring Pres. Baylor.

By KENNETH FORCE

WERNERSVILLE, PA.—The attendance of 500, far outdoing any previous meeting, was the impressive feature of the convention here of the International Assn. of Insurance Counsel. It was the first full session since 1944, and 35 new members were introduced by Secretary David I. McAlister.

The program was good but not so burdensome as to interfere with activity on a fine golf course. Plenty of acceptable food and drink partly compensated for the lack of space, which forced about 200 members to commute from Reading and Wernersville.

There was a lot of emphasis in the talks on the American way of life, and the lawyers practiced democracy by insisting that the nominating committee hold open hearings to receive names from members. In turn the member with a candidate underwent close examination on how long he had known his man and, the latter's qualifications for the office.

Expects Increase in Litigation

With the break in the stock market and an expected growth in unemployment the number of life, disability and other insurance cases will spurt, V. J. Skutt, general counsel of Mutual Benefit Health & Accident and chairman insurance section American Bar Assn., indicated in his talk on "The Importance and Development of Insurance Law and Practice."

In the period since 1936 the number of litigated cases steadily has declined, Mr. Skutt explained. For example, in 1936 there were 1,087 life insurance cases before appellate courts. This number was 965 in 1937, 827 in 1938 and 530 in 1945 up to Oct. 1. The number of fire, marine and casualty cases reaching appellate courts since 1936 was 18,271. These cases represent only a small percentage of the total of insurance business, however. There are more than 100 million life policies on 70 million persons; and about 45 million persons carry some form of health and accident coverage, excluding Blue Cross and prepaid medical care plans.

The importance of insurance law is a natural consequence of the growth of insurance, its wide spread and closeness to people, Mr. Skutt said. Insurance lawyers have been too modest about their

Brokers Quit Industry Group's Conference Team

The National Assn. of Insurance Brokers has withdrawn from the conference committee of the all-industry committee and has been replaced by the National Assn. of Insurance Agents. This step was taken after the recent Syracuse meeting of the all-industry committee because the brokers group, represented by E. W. Sawyer, New York City general counsel, did not wish to be in the position of lobbying for the proposed rating bills.

Contrary to some reports, neither the brokers' association nor the National Assn. of Casualty & Surety Agents, which Mr. Sawyer also represents, has withdrawn from the all-industry committee. Mr. Sawyer, however, has been given full authority by both groups to take this step if the all-industry committee goes all-out in pushing enactment of these bills before state legislatures in 1947. The conference committee was originally formed to deal

contribution to insurance. They have served well in the development of legislation affecting company organization, insurance department creation and standard policy provisions; in preparation of policy forms and organization of insurance carriers, and in the application and construction of insurance laws and contracts.

Mr. Skutt listed a number of important legislative and judicial developments affecting the various lines of coverage in recent years. He said that with war clauses the companies are trying to develop a pattern that will be usable in war or peace.

Lack of uniformity in state laws is a real problem and may give those who want federal control of the business a real lever to use. Attorneys, he said, can help by trying to effect greater uniformity.

Growth of prepaid medical care plans, he said, and the cooperation of the medical profession have prevented the spread of state and federal disability and medical plans. There is new need for insurance and lawyer cooperation, he commented. Effort is being made to change the character of insurers to public bureaus. The Wagner-Murray-Dingell bill would do this. About one in 4 to 7 disability policies results in a claim each year. Assuming that the frequency of claims would be no greater under government plan, if all 140 million persons in the United States were under such a plan, how could it be possibly be administered. It would require hundreds of thousands of government employees.

At the last annual meeting membership was 1,275. Today it is 1,431, Mr. McAlister reported. Because of increased costs of association business and conventions, he suggested the association might consider increased dues and use of a registration fee. The registration buttons met with so much approval, they will be saved for use next year. They are large cards with the registrant's last name done in large, bold handwriting with a brush stroke pen. The names were readable and legible at a considerable distance. Credit for the popular innovation went to Mrs. Mary Greenawalt, Mr. McAlister's secretary.

With \$29,346 in the till, Treasurer Robert M. Noll, Marietta, O., reported, the association is in sound financial condition.

Geo. W. Yancey, Birmingham, reported as editor of the association "Journal." Some changes are being made, but these, President F. B. Baylor said, are to lighten Mr. Yancey's work and enable him to continue as editor.

Although the reports of standing com-

with the committee of the National Assn. of Insurance Commissioners in composing differences on model legislation. At the Syracuse meeting the committee voted to send representatives to various legislatures.

Want Only Minimum Regulation

Mr. Sawyer, speaking for his associations, took the position that his groups would cooperate if it were a matter of explaining the bills, but not if it involved attempts to push them through legislatures. His two groups are strongly in support of only minimum legislation and they regard the rate law proposals as going way beyond the minimum requirements of the McCarran-Ferguson law.

The stage may thus be set for a bitter 1947 legislative battle on the extent of state control over rates, with the best guess being that various shades of regulation will be adopted in the different states.

mittees were published in the "Journal," Ellis R. Diehm, Cleveland, of the workmen's compensation and unemployment insurance committee, commented that decisions on the latter subject are increasing in number and importance.

Advisory Committee Activity

The advisory committee to the Supreme Court has completed its work on amendments to the Court's rules of civil practice, and they have been published. Wayne E. Stichter, Toledo, suggested that if individual attorneys desire any changes made they should communicate directly with the advisory committee.

Pat H. Eager, Jr., Jackson, Miss., 1943 president, reported for the executive committee, which continued the work of the association during the period when no general meetings were held.

President F. B. Baylor's reception consisted of a cocktail party, and another cocktail affair preceded the banquet. There were 66 prizes for golf and a number for ladies at their bridge tournament.

"The Home Office and the Trial Attorney," by Paul C. Sprinkle of Kansas City, was very well received.

President Baylor suggested appointment of a new committee on automobile insurance to assist the casualty committee and that the committees on home office counsel and on unauthorized practice of law be discontinued. However, no action was taken.

When first organized, the association was largely composed of home office counsel, but the character of the membership changed with the years and is now dominantly composed of trial lawyers, though home office attorneys still belong and participate actively. The committee has served its purpose, Mr. Baylor suggested.

Unauthorized Practice of Law

The committee on unauthorized practice of law also is no longer of use, Mr. Baylor said. This one grew out of attorneys' effort in the 1930's to draw the line between adjusting and law practice. This contest has been pretty much settled, and the issue seldom arises.

The section sponsored by the practice and procedure committee with Chairman Wayne E. Stichter of Toledo presiding, started with a paper on "Declaratory Judgments in Insurance Cases." David J. Kadyk, Chicago, prepared it but was unable to attend. It was read by Erwin W. Roemer of Chicago, and J. G. Sweet, San Francisco, led the discussion.

The paper of William E. Knepper of

(CONTINUED ON PAGE 44)

Stone Says State Rate Laws Need Not Be Uniform

Employers Chief Again Attacks Rigid Controls Before Missouri Agents

KANSAS CITY—In his discussion of rate regulatory laws at the meeting of the Missouri Assn. of Insurance Agents here, Edward C. Stone, Boston, U. S. manager Employers Liability, pointed



E. C. Stone

out that there is nothing in public law 15 which requires that the different state rating laws be uniform. In denouncing state laws which freeze rates, he pointed out that the obvious purpose of the anti-trust laws is to preserve free competition and warned his audience that it is entirely possible that

public law 15 may be repealed if there should be a general adoption of rigid rate laws. In emphasizing that there is no need for uniform state laws, Mr. Stone quoted the language of Justice Rutledge in the recent Prudential vs. Benjamin case, that Congress must have had full knowledge of the existence of the different systems of state regulation and taxation, and their many variation and that the purpose of public law 15 "was evidently to throw the whole weight of its power behind the state systems, notwithstanding these variations."

Purpose of Sherman Act

The Sherman act, Mr. Stone pointed out, is directed against two situations—unreasonable restraints of trade and monopolies, actual, planned or attempted. In addition to making the legality of "in and out," non-intercourse and similar rules doubtful, the Sherman act does undoubtedly require companies belonging to bureaus which have established insurance rates in the past to request the protection of state laws after 1948. An independent company, which makes its own rates, has nothing to fear from the anti-trust laws and needs no further state legislation for protection.

Reviewing the present rate laws and legislative proposals, Mr. Stone made no attempt to disguise his often expressed distaste for prior approval laws, and his conviction that subsequent disapproval laws amount to the same thing. He emphasized his previous position that state laws, which require that rates must be reasonable, adequate and not unfairly discriminatory and which give insurance supervising officials authority to examine an insurance company, and to see that it remains solvent and does not engage in unfair practices, are sufficient to comply with all legal requirements and also preserve free competition.

In addition to warning his audience that rate regulation, under either prior approval or subsequent disapproval laws, will inevitably bring about regulation of commissions and the disappearance of the right of private contracts be-

(CONTINUED ON PAGE 44)

Claim Men Urged to Continue Fine Work Done in War

W. C. Butterfield Outlines Task at International Body's Meeting

President—J. N. Cunningham, Crown Life.

Secretary—Louis L. Graham, Business Men's Assurance.

Treasurer—F. L. Templeman, Maryland Casualty.

Executive committee—W. N. Hutchinson, New York Life; W. Clark Butterfield, National Casualty; Thelma Buttman, Jefferson Standard, and F. T. Bernhard, Home Life.

QUEBEC—Members of the International Claim Assn. were urged by W.



W. C. Butterfield

Clark Butterfield of National Casualty in his presidential address to continue the cooperation and building of good will and harmony in conducting the association's business. He pointed out how well this attitude had worked during the war years and particularly emphasized the splendid record made by the insurance companies in the payment of war claims. He stressed the part played by the association and particularly praised the war claims liaison committee for the admirable task it had performed in establishing the methods of operation employed by the insurance companies in securing from the War and Navy departments information essential to the payment of claims.

Mr. Butterfield urged the claim officials to be constantly on the alert to promote good will, harmony, confidence, and cooperation generally to the end that the high esteem in which insurance companies are held by the insuring public as a result of the magnificent job done during the war years be maintained and fostered.

Gavel Is Presented

In accordance with custom of seven years, the chairman of the executive committee, Walter E. Trout, Penn Mutual Life, called the first session to order and presented a handsome gavel to President Butterfield with which to preside over the sessions. The address of welcome was made by George Lafrance, superintendent of the Quebec department. Fred Walters, General Accident, president of the association in 1944-45, was called upon and expressed his appreciation of the assistance given him, during that year by the chairmen and members of the various committees.

Reporting as chairman of the membership committee for the past year, F. H. Jacobson read the list of companies that had been admitted to membership. As there was no convention last year, Mr. Butterfield called on L. L. Phelps, chairman of the 1944-1945 membership committee, who reported on companies admitted to membership in that year.

Unless the leaders of all nations of all the world truly understand the power and destruction of the atomic bomb and compromise their differences, a third great populous civilized city will join Hiroshima and Nagasaki as a tombstone to man's ability to make war and his inability to prevent it, Robert D. Potter, science writer of the "American Week-

Phila. Group Blisters Theft Policy Program

A. H. Criddle, chairman of the casualty committee of the Insurance Agents & Brokers Assn. of Philadelphia, has issued a statement blistering the casualty companies for the extent of the rate increase that they have put into effect in the residence and outside theft policy, also complaining that the companies muddled the waters by inserting the "mysterious disappearance" coverage in the contract in 1943.

Mr. Criddle conceded that a rate increase was in order, but he expressed the belief that the advance should have been only about 50%. This is on the basis of the 1945 experience, which he said is reported at 68.3% less ratio with 34% chargeable to premises and 34.3% to theft outside. However, he said that for the 100% blanket form, applying both inside and outside, the new rate for a private dwelling in Philadelphia, Delaware, Montgomery or Chester counties is 86% over the previous tariff for \$1,000 of insurance. For \$2,000 the increase is 109%; \$3,000 the increase is 138%; \$4,000 it is 170 and \$5,000 it is 198.

Tells His Contention

He said the producers have been exhorted to sell higher amounts of insurance on the theory that the bad claims record is on minimum policies. However, the new rate system, he contends, will produce the opposite results because the percentage of increase goes up as the amounts of insurance increase. This result comes about because the premium for theft away from premises is not on a graded basis.

The basic fault, he argues, was introducing the mysterious disappearance "mystery" in 1943. None of the burglary underwriters regard this coverage as sound.

"How did the bureau come to adopt this feature?" he asked. "Did some one wield a big stick? If they did, it was certainly not the agents and brokers, because, so far as I can learn, they have not been consulted on any point in connection with this coverage."

Mysterious Disappearance

Introducing the mysterious disappearance feature disturbed the business formerly written under jewelry and fur floater, and personal effects floater policies and "whatever group or individual was responsible for it, was driven by misguided zeal," he asserted.

The rate structure, he contended, will discourage the purchase of insurance in high amounts and will particularly discourage those who bought the policy for the first time at a premium of \$15 and now find it is going to cost \$28. The independents, he said, now have a great opportunity to offer a "sensible, reasonable and workable policy form, and rate system that will attract a great deal of burglary business."

ly," predicted. Describing his experiences at the Bikini atom bomb experiments and the implications of atomic energy for peace and war, Mr. Potter warned that the world is, even today, engaged in an atom bomb race which can only be prevented if world wide control of atomic energy is quickly achieved.

In his address on aviation claims, John G. Kelly, assistant general counsel of Mutual Life, mentioned a proposed modification of the civil aeronautics board's 1938 regulations in which it defined non-scheduled air operations and said that if this definition is followed by the courts there is great likelihood that the term "scheduled flying" may be given a broader meaning than that originally intended by the insurance companies.

However, Mr. Kelly cited as an offset to this possibility the new CAB reg-

(CONTINUED ON PAGE 44)

Chicago C.P.C.U. Offers Courses

The Chicago chapter of C. P. C. U. has announced a complete program in various insurance and related courses designed to prepare students for the examinations leading to award of the C. P. C. U. designation. Classes will be conducted by Illinois Institute of Technology under joint supervision of Prof. J. J. Ahern of the school and R. M. Babbitt, Jr., chairman educational committee Chicago chapter.

Registration will be held Sept. 19-20, 6 p.m. to 9 p.m. at 18 South Michigan avenue. The courses are planned so as to follow the grouping of the C. P. C. U. examinations and will run for two semesters. Subjects offered this fall include: Fundamentals of property and casualty insurance; advanced insurance principles and practices; accounting and finance; fire protection engineering and safety engineering.

Claims Bureau Job Publicized

The public is getting the story of how fake insurance claims are being uncovered by the claims bureau of the Assn. of Casualty & Surety Executives through recognition recently accorded the bureau's activities in the daily press and magazines of large national circulation.

Series of full length feature stories have already appeared in the New York "World-Telegram" and other Scripps-Howard newspapers, the Atlanta "Constitution" and in "Coronet" magazine, while another is due for release in the Oct. 5 issue of "Liberty."

Prepared By Staff Men

All the articles were prepared by staff writers after research and study with the information and publications division and the claims bureau. They have emphasized the futility of trying to defraud insurers and describe some of the sensational cases which the bureau's agents have uncovered and brought to justice.

"World-Telegram" described the work of the claims bureau in a series of five articles on the first page of its feature section. Atlanta "Constitution" originally planned only one story, but found the material so intriguing it decided on a series of three.

The "Coronet" piece, which appeared in the August number and was written by Muriel Patchen, was reprinted and widely distributed. "Liberty's" article was prepared by Rhoda Roder and also will receive wide distribution. All the writers have emphasized that the claims bureau protects the public from rising insurance rates.

Aetna Schedules Agency Meetings in 40 Cities

Resuming an annual practice suspended during the war years, Aetna Casualty will hold a series of one-day agency meetings in 40 cities. The first meeting will be held Sept. 16 and the final one Oct. 22.

Agents, field office men and home office men will appear on the program and new sales methods and sales aids for a number of lines will be discussed.

Among the topics to be covered are: The opportunities which the insurance business presents to veterans; the benefits of the Aetna's home office casualty and surety sales course; accident and health opportunities; how to make effective use of the telephone in selling; Aetna safety education aids; fidelity bond opportunities; customer development and the Aetna plan; aviation insurance, described by a representative of the U. S. Aviation Insurance Group; the bank and agent auto plan; and the opportunities in miscellaneous casualty lines.

Many Officials Advanced in General Re Group

NEW YORK—Winfield W. Greene, executive vice-president of General Reinsurance, has now been elected executive vice-president of its fire affiliate, North Star Reinsurance. He will continue in the same capacity with General Reinsurance.

Howard G. Crane, treasurer of both companies, was elected vice-president and treasurer of each. Hector Kottgen, General Reinsurance secretary, was advanced to the vice-presidency of both companies. George H. Baird, vice-president of North Star, who has recently held the office of assistant secretary of General Reinsurance, is now vice-president of both companies, and Samuel E. Thompson, General Reinsurance vice-president, has been elected vice-president of North Star also.

Edgar Clark, heretofore assistant secretary, succeeds Mr. Kottgen as secretary of the parent company and was elected assistant treasurer. E. D. Sayer was elected assistant secretary of both companies, and Donald Bryant and Alan E. Boles were elected assistant secretaries of North Star, still holding the same offices in General.

Mr. Greene entered the insurance business in the life field in 1910 after graduating from Brown University. Three years later he became assistant examiner of the New York department and then served as assistant actuary of the New York workmen's compensation commission. In 1915, he organized the State Compensation Insurance Fund of Colorado and was its manager until 1917, when he organized the Compensation & Inspection Bureau of New Jersey, becoming manager and special deputy insurance commissioner.

Between 1921 and 1925, Mr. Greene was successively underwriter of Employers Mutual of New York, an independent consulting actuary and actuary of the National Council on Compensation Insurance. Joining General Reinsurance as comptroller 21 years ago, he became secretary in 1930, vice-president a few months later and executive vice-president last January.

Mr. Greene is a charter member and past president of the Casualty Actuarial Society, a fellow of American Institute of Actuaries and the author of numerous papers dealing with insurance and reinsurance.

Mr. Crane graduated from the University of Pennsylvania in 1923 and, after a brief period of employment in New York banks, and three years' service with the National Council on Compensation Insurance, joined General Reinsurance in 1927. A year later he became assistant comptroller and in 1930, comptroller. Elected treasurer of General Reinsurance in 1936, he also became treasurer of North Star in 1945. Mr. Crane is a fellow by examination of Casualty Actuarial Society.

A graduate of New York University school of commerce and also of N.Y.U.'s school of law, Mr. Kottgen was in the legal department of Lehigh Valley Railroad prior to his association with General Reinsurance in 1927. He was elected assistant secretary that year and placed in general charge of claims and became secretary in 1941. Mr. Kottgen is a member of the New York bar.

After graduating from Harvard and University of Maryland law school, Mr. Thompson became associated with U.S.F.&G. in 1908. Remaining with that company for 19 years, except for 27 months' service in the navy in the first war. In 1927, he became vice-president of Herbert Clough, Inc., and joined General Reinsurance in 1928, becoming secretary two years later, secretary in 1937 and vice-president in 1941.

Mr. Baird in 1924 went with Discount Corp. of New York. He joined General Reinsurance in 1925; became assistant secretary in 1937, and vice-president of North Star last year.

Group

W. Greene, General Re-elected executive fire affiliate. He will continue with Gen-

sure of both vice-president Kottgen, tary, was agency of both Baird, vice- who has re- assistant secre- e, is now vice- panies, and leral Reinsur- been elected ar also.

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Harvard and school, Mr. ciated with taining with , except for navy in the became vice- h, Inc., and in 1928, be- s later, sec- dent in 1941. ith Discount joined Gen- became as- d vice-presi-

Talk . . . Sell and Practice SAFETY

With automobile accidents on the increase, "Safety First" has become more than a slogan. For the preservation of life and property, safety is now an absolute necessity.

The automobiles in use today average 8 years of age. Obviously, many of them have ineffective brakes, faulty steering, other defects that make them dangerous to operate. And too many car owners neglect necessary repairs until they have had a smash-up . . . or until someone talks safety to them.

The logical someone is the insurance man. He can remind his policy holders, his prospects and his friends how essential it is to have their cars inspected and serviced. He can point out the danger that lurks in faulty brakes, defective steering, smooth tires, wheels that are out of alignment.

The insurance man should talk safety, sell safety, practice safety. By meeting this great responsibility of today, he will find even greater opportunities awaiting him tomorrow . . . when the present trickle of new cars swells to a torrent.

Harry F. Ogden
President

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Kyle Simpson to Be Chicago Manager of Home Indemnity

Home Indemnity has appointed Kyle E. Simpson manager of its Chicago office, effective Oct. 1. Mr. Simpson, who was born in Indianapolis, entered the insurance field when he joined Travelers



KYLE SIMPSON

in Indianapolis in 1920. Later he was appointed manager of the Iowa office of the National Bureau, where he remained until 1927. During the next seven years he served as a special agent and branch manager for London Guarantee in Indiana.

In 1934, Mr. Simpson became resident manager for Phoenix Indemnity in Chi-

F. O. Beattie Heads American Casualty Bonding Department

American Casualty has appointed Frederick O. Beattie as manager of the fidelity and surety department, succeeding Vice-president C. S. Clark, who is re-entering the contracting business.

Mr. Beattie has had 26 years of bonding experience. He began his insurance career with National Surety in 1920. In 1923 he joined the New York City office of Massachusetts Bonding. For the last 23 years he has been supervising all fidelity and surety underwriting in the New York office and in addition has supervised fidelity and surety claim work.

Burglary Coverage May Be Altered

A meeting of the burglary rating committee of the National Bureau of Casualty & Surety Underwriters is being held Thursday to consider the "mysterious disappearance" clause in the residence burglary policy. It has been proposed to remove this provision. A moot point is how much losses would be decreased by such an elimination and what effect it would have on the sale of policies.

In 1936 he entered the agency field with Conkling, Price & Webb, in which he later became a partner and continued in this post until his present appointment. Mr. Simpson will be located in the Home Indemnity office in the Insurance Exchange Building.

James F. Feeney, who has been in charge of the work in this office during the war period, will resume his former post as assistant manager in charge of fidelity and surety production.

Hold Parley on Bond Commissions

NEW YORK—No final conclusions were reached at the informal meeting of producers and company representatives called by E. J. Schofield, chairman acquisition cost conferences, to discuss commissions on commercial blanket and blanket position bonds which since 1926 have been 20%. Various phases of the expense problem were discussed.

The California conferences have voted to increase the scale from 20% to 30% but this will have to be ratified by the national conference.

Whitney Denies Kavanaugh Charges

A. F. Whitney, president of Brotherhood of Railroad Trainmen, has addressed insurance commissioners of several states in reply to the charge of Commissioner Kavanaugh of Colorado, that revoking the membership in the brotherhood of Yard Masters of America for failure to participate in the railroad strike last May, is causing many of these men to lose their insurance benefits that they have accumulated over the years. Mr. Kavanaugh wrote to Superintendent Dressel of Ohio, asking him to intercede with Mr. Whitney.

Mr. Whitney, in his reply, stated that he had not been notified of any members being expelled for refusing to participate in the strike and said if there have been expulsions, the action would have been taken by subordinate lodges, and expelled members would have full rights of appeal to the brotherhood president and directors.

Kavanaugh Termed "Inaccurate"

Mr. Whitney charged Mr. Kavanaugh was "wholly inaccurate" in stating that the brotherhood "was arbitrarily canceling policies of insurance held by our yardmaster members because they did not participate in the strike last May."

However, from Omaha comes a statement from V. W. Dickeson of Chicago, secretary of Railroad Yard Masters of America, stating that his organization is preparing an appeal to the insurance departments of Ohio, Colorado and Nebraska to prevent the yard masters from losing insurance benefits in B.R.T. He said the yard masters refused to obey the strike call last May of Mr. Whitney and are being threatened with expulsion from the union with the consequent loss of insurance benefits. He said that 60 Omaha yard men were involved. The yard masters ignored the strike call because they are operating under their own working agreement and did not consider themselves bound by Mr. Whitney's order, he said. The yard masters have maintained their membership in B.R.T. for the insurance benefits, he declared.

Casualty Engineers to Meet Friday

The Casualty Engineers Association of Chicago will meet at 7 p. m. Sept. 13 at the Y.M.C.A., 19 S. La Salle St. Chicago. No food will be served at the "Y" due to labor difficulties. After the meeting the group will go to the American District Telegraph headquarters to observe its operations.

The fall school will start Sept. 20 at 208 S. La Salle street.

Pa. and Fla. Have License Pact

Commissioner Neel of Pennsylvania announces a reciprocal licensing agreement with Florida along the line of those arranged recently with various other states.

H. B. Bennett, formerly of Los Angeles, has opened a general insurance agency at Salem, Mo.

C. E. Munn and W. B. Munn have moved their agency into the Harvey building at Tarkio, Mo.

The Insurance Women of St. Louis discussed plans for the 1946-47 season at a meeting Tuesday.

Federal Assist Not Enough, Pepper Argues

WASHINGTON—Expressing regret that the life of his special subcommittee on health and education was discontinued Aug. 1 by Senate action, Senator Pepper, Florida, its chairman, said in a statement accompanying the committee's final report, that he hoped "the next Congress will provide some means to continue its health investigations and legislative actions thereon." Ordinarily, he said, the life of the committee would have continued until next January.

Pepper listed among 13 "results" produced by investigations of the subcommittee and its staff:

"The American people learned the full and shocking truth about the inadequacies of our medical care system and about our generally low level of health compared to what we can achieve."

Federal Assist Not Enough

"A close examination of voluntary rural experimental health plans revealed that assistance to them through public funds did not overcome the defects of voluntary health insurance plans."

"The people were informed of the inadequacy of voluntary health insurance plans in meeting the national health problem and of national compulsory health insurance as the most economical and efficient way to assure high quality medical care for all our people."

In his final report Pepper estimates that medical services on account of sickness and accidents cost America \$4 billion annually. He says the committee's monograph on the Department of Agriculture's rural experimental voluntary health program, tax-supported, furnished valuable lessons. These plans in selected counties and subsidized by the government so that family cost was reduced to \$20 a year for medical care, attracted less than half of those eligible.

High Quality Care for All

Referring to the spring and summer hearings before the Senate committee on education and labor on compulsory health legislation, Senator Pepper says that his subcommittee has found "that national compulsory health insurance is the most economical and efficient way to assure medical care for all our people. It states that the financing through required contributions to a social-security fund and by payments from general tax revenues can accomplish what private medical insurance plans have not been able to accomplish in their 100 years of existence, namely, provision of high quality of medical care for all. Tax-assisted private plans cannot solve the problem. In fact, only 3% of the population now gets complete prepayment medical services and three-quarters of our population have no medical-care insurance at all."

Pepper says that no foreign country has abolished or is considering abolishing compulsory health insurance and that "insurance against risks of ill health is the well-tried American way."

Group-Practice Clinics

Some 5 million persons are members of voluntary medical care prepayment plans, according to Pepper, almost half of them obtaining medical care through group-practice clinics. Medical society plans—usually providing for surgical and obstetrical care—had about 2,200,000 members, or less than 2% of the population, in 1945, the report says.

Pepper estimates that "commercial group medical insurance plans offer cash payments to another 9 million to cover the costs of hospitalized or prolonged illness, but not preventive day-to-day medical care. Individual commercial health and accident insurance policies are cited as having high administrative and overhead costs."

"Many people are not eligible for any plans," Pepper continues. "Many others

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can not afford to join. Still others feel they do not need medical insurance, many drop out after a year or so because they 'didn't use the plan last year and don't think it worth while to stay in it.'

"Other defects of private medical insurance are: Tendency to adverse selection of risk, overlapping and duplication of plans, high promotional and administrative costs, and unsuitability to the needs of an increasingly migrant population."

Tells Lawyers and Home Offices How to Live Together

WERNERSVILLE, PA. — P. C. Sprinkle, Kansas City, in his talk before the International Assn. of Insurance Counsel, discussed the relations of the home office and the trial attorney and made a number of practical suggestions for each party.

Turning first to the home office, Mr. Sprinkle said the first "don't" for insurance company management should be never to "second guess" a trial attorney. There should be a complete understanding before any case as to the relative danger of going to trial, that the trial lawyer does not make the facts or the law and must accept the case as he finds it and do the best he can under the circumstances. It is also very important for the trial attorney to have some knowledge of home office procedure, particularly as to reserves, reinsurance, claim committees and official home office examinations. He should know just what facts the home office wishes to keep informed upon in pending litigation and, conversely, he should see that the home office is informed of any developments or circumstances which may alter the outcome of the trial. He said that it is a mistake for the home office not to tell the trial attorney the amount of liability insurance applicable, as in most cases the plaintiff's attorney knows it or finds it out, and the trial attorney is thus operating in the dark. Also, any unusual conditions which might prompt the insurance company to settle the case for nuisance value or to contest it with undue vigor, should be told to the trial lawyer.

Settlement Offers

The home office, Mr. Sprinkle continued, should never criticize the trial attorney because of a last minute offer of settlement. There is something about the atmosphere before the actual beginning of a trial, he said, which makes both attorneys and clients desire to settle a case, and frequently the last minute offer is the best one which the trial lawyer has received and will receive. Finally, Mr. Sprinkle said, the home office should never receive satisfactory results without comment. Lawyers are human beings and a word of praise means a lot to them, despite the fear of some home office executives that a kind word will mean a larger bill for the next case.

For the trial attorney, Mr. Sprinkle's first advice was never promise to win a lawsuit. Home office claim departments, he said, have a habit of believing what trial lawyers put in their letters. When unexpected adverse conditions show up, both the trial attorney and the home office can be badly embarrassed. Also, he said a trial attorney should never count on winning a lawsuit because of an anticipated "break" as these "breaks" frequently fail to occur.

Don't Boast

Mr. Sprinkle also warned the trial attorney never to write a letter to the home office boasting about a "stunt" on his part. Such "stunts" are always more impressive to the performer than to anyone else, and no insurance company wants such letters in its files, to be examined later by an official examiner. Similarly, it is not good public relations for an insurance company's trials to

contain indications that lawsuits have been won because of the ignorance of the claimant or of his attorney, consequently the trial lawyer should never belittle the opposing counsel in his reports.

Also, Mr. Sprinkle warned, the trial attorney, after losing a case, should never blame the claim department because of its preparation and investigation. This is only an acknowledgment of his own weakness. The trial lawyer is supreme once the matter gets into litigation and has been referred to him. If he does not like the investigation, it is his duty to see that the case is reinvestigated, and any complaints afterward are only a confession of weakness.

In a third party lawsuit, the trial attorney should never forget the insured. Most such cases are won only through the cooperation of the insured. He should be kept advised as to the developments and the attorney should be careful to explain to him what the law is, why certain moves are made and their purpose.

Des Moines Club to Meet

DES MOINES—The Des Moines Casualty & Surety Club will hold its first fall meeting Sept. 23 and will elect officers. Clair Ibsen, Aetna Casualty, now is president.

How Employer Can Recover for Wrong Acts of Employee

WERNERSVILLE, PA. — W. E. Knepper, Columbus, O., reviewed the legal principles under which a party who is secondarily liable to the public for the fault of another may recover from the primary tortfeasor in a paper entitled "Recovery-Over" at the meeting of the International Assn. of Insurance Counsel here. He emphasized that there are a number of technical pitfalls to the enforcement of such rights and urged counsel for defendants and their insurers to start for this goal at the very beginning of litigation in which it may be involved.

Primary vs. Secondary Liability

Considerable of Mr. Knepper's paper was devoted to the distinction between primary and secondary liability and joint tortfeasors. In the latter case, he said there may be a right of contribution, but there is none of restitution.

An important feature of this law, Mr. Knepper said, is that an employer who is forced to pay for damages caused

by the negligence of an employee has a right to restitution from the employee. The same situation may exist where the fault is that of an independent contractor.

The general rule, Mr. Knepper said, is that a release given to either party releases the other, although there is a view that a partial settlement with the party secondarily liable will release the primary tortfeasor only to the extent of that settlement.

Glass Rates Upped in Six States

Glass insurance rates have been increased an average of 19% in Alabama, Florida, Kansas, Maryland, Oregon, and Washington state effective Sept. 9, 1946. These rates have been approved by the supervising authorities and are in line with the increased rates made effective in most states Aug. 5.

Kansas Farm Bureau Meeting

Agents of Farm Bureau Mutual of Manhattan, Kan., to the number of 115 who made their quotas in new business the past year were guests at a two-day agency meeting in Wichita. Speakers included President Herman A. Praeger and Manager Walter E. Acker.

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ACCIDENT AND HEALTH

Form Hospitalization Insurer in Michigan

LANSING, MICH.—Articles of association for formation of a new hospital and medical service carrier, organized under the cooperative or assessment section of the Michigan insurance code, have been approved as to form by the attorney general's office and are awaiting approval of Commissioner Forbes, who has been absent attending commissioners' meetings. It is to be known as Health Service Assn. with home office in Detroit and is being organized chiefly by doctors in several major Michigan cities, reputedly because of disagreements with the policies of the Michigan Hospital Service (Blue Cross) and the conditions which prompted hospitals operated by the Catholic Sisters of Mercy recently to withdraw from the plan. The incorporators are said to be directors of Michigan Medical Service which was organized by the state's medical profession coincident with formation of the Michigan Hospital Service by the major hospitals.

A spokesman for the new organization said it was not intended to be "in competition with Blue Cross but supplements the services which the Michigan Hospital Service cannot render under the law." He said hospital care would be limited to a straight indemnity insurance contract, with all extra hospital fees, above basic hospital room cost, defrayed by the patient. This would permit hospitals which withdrew from Blue Cross on the ground that the plan was not paying its way on its contract patients, to provide regular service at usual costs to assured, billing them for all extras. It was noted some Michigan cities cannot participate in the Blue Cross program at present—notably Ludington, Manistee and Cadillac—because their only hospitals withdrew from the plan.

To Get Temporary Certificate

L. H. Sanford, second deputy commissioner, said that, if approved, the new association will be granted a temporary certificate of authority for organization purposes. Articles of association state purposes to be the provision of hospital, medical, surgical and sickness care on a cooperative basis.

Preparations to set up an agency organization for the proposed new carrier were seen as under way in the filing of incorporation articles for Subscribers Service Agency, 234 State street, Detroit.

New National Association Committee Chairmen Named

R. B. Smith, Great Northern Life, Oklahoma City, president of the National Assn. of Accident & Health Underwriters, has announced his new committee appointments. Robert J. Bar-

rett, Occidental Life, Kansas City, continues as head of the agency management committee, in the operation of which he has been so successful for the past two years. Miss Myrtle Quinn, Continental Mutual Health & Accident, Denver, was selected to head the women's division at the Denver convention. O. J. Breidenbaugh, executive secretary, very appropriately heads the educational committee, in view of his connection as director of the Purdue accident and health course.

W. B. Cornett, Loyal Protective Life, Boston, is renamed as chairman of law and legislation committee, whose work promises to be of special importance and significance the coming year, with the movement for the establishment of state compulsory health insurance plans have given an added impetus by the turning over to the state some accumulated federal funds. C. B. Stumpf, Illinois Mutual Casualty, Madison, Wis., becomes chairman of the speakers bureau.

Isaac Miller Hamilton Honored on 82d Birthday

Col. Isaac Miller Hamilton, chairman of Federal Life, was 82 Sept. 6. It is a tradition of long standing with Federal Life to honor Mr. Hamilton by designating September as Hamilton month. A luncheon was held Friday at the Illinois Athletic Club to celebrate his birthday, attended by officers of the company, Chicago agents and a number of other guests.

Mr. Hamilton became president of Federal Life when it was organized in 1900. He helped organize the American Life Convention in 1905 and is the sole survivor of its founders. He served as president 1909-1910, presided at the organization of the Medical Section and fostered the formation of its subsidiary, the American Service Bureau. He served twice as president of the Health & Accident Underwriters Conference, helped to organize the Sales Research Bureau and has been active in the Life Insurance Association and National Association of Life Underwriters. On his 75th birthday he became chairman of Federal Life and is still active in its affairs and the organizations with which he has long been associated.

Medical Service Plan Not Subject to Cal. Regulation

The California supreme court has rendered a decision that the California Physicians Service, which conducts a prepaid medical service, is not subject to regulation by the insurance commissioner. However, some doubt is expressed that the decision may not stand because the service recently added hospitalization costs to the medical service.

There also is a report that Commissioner Garrison may seek new legisla-

tion at the 1947 session of the California legislature which will place all such services—operated for profit or non-profit—under jurisdiction of the department.

Mich. High School Athletic Plan Results Reported

LANSING, MICH.—The Michigan High School Athletic Assn. benefit plan paid 1,791 injury claims for \$34,403 total in the last year, C. E. Forsythe, secretary, reported.

The plan pays benefits in all injury cases arising from high school athletic contests. Covered were 22,338 students in 509 schools, an increase of 5,974 and 48 schools over participants during the previous year. Membership and student registration fees going into the fund totaled \$38,209, compared with \$31,944 the previous year. The average claim paid amounted to \$19.20. Football games accounted for 1,239 injuries or 69.2% of the total.

Nation-wide Sports Policy

The Huntington & Homer general agency of Chicago is now writing a sports accident policy in Michigan Life for universities, colleges, secondary schools, amateur and semi-professional teams on a nation-wide basis. It provides accidental death and dismemberment benefits up to \$1,000 and \$500 medical reimbursement. There is no deductible, regardless of the sport covered. It covers all supervised travel as a team, to the playing field, for example, as well as away from home.

The term of the policy ranges from four months for football, hockey and lacrosse to 12 for track, swimming, wrestling and boxing and the premium per individual from \$3.50 for track and \$4 for baseball, softball, tennis and swimming to \$12 for football and hockey, \$13 for boxing and \$18.50 for lacrosse.

Woodmen Accident Conclave

Representatives of the Woodmen Accident associated companies numbering about 70 held a three-day conference in Lincoln, Neb. Gov. Griswold told the group that in selling insurance they created security for the buyers and also were practicing the "free enterprise system." He declared selling has a vital part in making "free enterprise" function properly. E. J. Faulkner, president, presided. A banquet, floor show and dance were held.

Two Amer. Surety C. P. C. U.'s

Miss L. Ruth Hellmann, St. Louis branch of American Surety and Louis Kortum of the home office have received the C.P.C.U. designation. Miss Hellmann is one of two women in the nation to complete the examinations this year, and Mr. Kortum is one of two 1946 candidates to achieve the coveted designation by passing the complete set of five examinations in one attempt.

Royston on Japanese Mission

John P. Royston is being granted a leave of absence as secretary and general manager of the Connecticut Savings Bank Life Insurance Fund to go to Japan on an insurance mission. He has been appointed assistant chief of the insurance and corporate finance unit of the finance division at Supreme Command, Allied Powers in Japan. He will perform supervisory duties in connection with resumption of Japanese insurance operations.

M. F. Gruhn on Bureau's Board

M. F. Gruhn, resident secretary of Lumbermen's Mutual Casualty and American Motorists at San Francisco, has been appointed to the governing board of the California Inspection Rating Bureau succeeding the late R. W. Chandler, who was resident secretary for the companies at Los Angeles.

The Insurance Library Association of Atlanta announced two courses for the fall semester course embracing general principles of insurance and suretyship and a class in inland marine insurance to start Sept. 12.

COMPENSATION

Reinsurance of Self-insurers Discussed in Mich.

There was discussion of reinsurance by workmen's compensation self-insurers at the annual meeting this week of the Michigan Workmen's Compensation Rating Bureau. Commissioner Forbes is chairman of the governing committee. The meeting was held Sept. 10-11 at St. Clair Shores Inn near St. Clair.

The commissioner noted that Attorney General Dethmers, newly appointed state supreme court justice, recently ruled it was legal for self-insuring employers to reinsure their compensation liability with reinsurance carriers the same as regular direct-writing insurance carriers. Under such circumstances, it was stated, control of rates is beyond the rating bureau's jurisdiction and the situation might serve to stimulate assumption of risk by more employers on a self-insuring basis. The law provides that any employer of eight or more employees, aside from agricultural and domestic help, either must carry compensation insurance or be certified by the department of labor and industry to self-insure.

Commissioner Forbes said the department would not sponsor any change of the law to make it broad enough to permit the rating bureau to control reinsurance rates. He said such an amendment also, of necessity, would make reinsurance rates paid by companies subject to the same control and the ramifications would be endless.

The rating bureau's manager is Arthur Cowlin, Detroit.

Report on Va. Accidents

The accident rate in Virginia industrial establishments was 8% higher in August than in July, according to report by the Virginia industrial commission. In August, 9,672 accidents were reported, of which 22 were fatal, the greatest number of accidents being caused by power vehicles in plants. There were 71 cases of occupational diseases reported in August.

ASSOCIATIONS

So. Cal. Group Meets

LOS ANGELES—At the initial fall meeting, the Surety Underwriters Assn. of Southern California elected Eagle Indemnity, American Automobile and Associated Indemnity Co. to membership. The matter of subdivision bonds was discussed and it was decided the association's original recommendation on this form of surety should be endorsed. The new form of contract bonds and the lost instrument bonds also were discussed.

Columbus Claims Club Meets

The Columbus Claims Club combined a dinner and dance with its first fall meeting. C. F. Weimer of the Franklin county safety committee spoke on safety.

Stassen to Address Federation

The Surety Assn. of Minnesota held its first fall meeting Monday. Next week the Insurance Federation of Minnesota will hold its first full-length annual meeting since early in the war. It will be a luncheon meeting with Harold E. Stassen, former Minnesota governor, as speaker. Advance reservations have been large but Secretary Clyde Helm announced they are not necessary. Tickets will be on sale at the luncheon which will be at the Radisson hotel.

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CHANGES IN CASUALTY FIELD

Anderson Resigns as Employers' Surety Chief

Elmer C. Anderson has resigned as head of the surety department of Employers Liability at the head office. He started in the surety business at Chicago with Hartford Accident and then made his connection with Employers in 1925 as Chicago bond manager. He was promoted to assistant superintendent of the surety department at Boston in 1935 and was made superintendent in 1939. He is currently president of the Surety Underwriters Assn. of Massachusetts and is a past president of the Surety Underwriters Assn. of Chicago.



Elmer C. Anderson

Gray St. Louis Manager for National Surety

W. A. Gray has been advanced to manager at St. Louis by National Surety, succeeding E. A. Luther, recently promoted to vice-president with general supervision over the south central department. Mr. Gray formerly was special agent and assistant manager at St. Louis.

R. K. Thompson, special agent there for the last five years, has been made assistant manager.

Payson and Teecher Are Named in So. Cal. Branch

LOS ANGELES—Howard K. Payson, formerly with Royal Indemnity, who has just been released from the army, has been appointed a special agent for Fireman's Fund Indemnity in the southern California branch.

Belmont Teecher, formerly with the Great American group, has been named automobile special agent for Fireman's Fund Indemnity in the same branch.

McHugh Directs Bonding in Los Angeles Office

LOS ANGELES—John J. McHugh has been appointed superintendent of the bonding department of Eagle, Globe and Royal Indemnity here and assumed his post this week. He began in insurance with National Surety in 1929 and remained until entering the navy in 1941. He was discharged in 1945 and returned to National Surety. In April he went with the Eagle-Globe-Royal group head office in New York in the post which he has held until his present assignment. While with National Surety in the pre-war years, he spent some time here as a home office production representative.

Halkey Bonding Manager

MILWAUKEE—Emil F. Halkey has joined the Henry Gollusch & Son agency as manager of the bond department. For more than 20 years he was associated with the Gaedke-Miller agency, general agents for Maryland Casualty, and resigned as bonding manager to take his new post. The Gollusch agency represents American Casualty. Mr. Halkey is serving his 16th term as secretary of the Surety Underwriters Association of Milwaukee.

Hemp Named Underwriter

The Gaedke-Miller Agency, general agents of Maryland Casualty for Wisconsin and northern Michigan, has appointed K. W. Hemp as underwriter in its bonding department to succeed E. F. Halkey, who no longer is associ-

ated with the agency. Mr. Hemp is a 1937 graduate of Marquette University, with an A.B. degree and an LL.B. degree in 1939. He had been associated with the Maryland, Milwaukee claim division since 1939 except for the period from January, 1943, to April, 1946, when he was with the supply corps of the navy in the Pacific and European areas as a lieutenant (j.g.).

Flahive Opens Own Office

The M. J. Flahive Claim Service has been established in the Littlefield building, Austin, Tex.

Mr. Flahive started in the claim business with D. T. Mason Claim Service 14 years ago and then went with S. M. Murrell as manager at Midland.

For the past 10½ years he has been field claim attorney for Superior of Dallas. He handled all of Superior's liability and compensation cases in Texas, Oklahoma and Louisiana. He holds an LL.B. degree and was admitted to the practice of law in Texas in 1935. His new office will handle compensation, liability and auto claims within a 100 mile radius of Austin and will handle all phases of claim work at the state industrial accident board.

Drais Casualty Head in S. F.

D. G. Drais, who was in the casualty business before entering the service and has been back in civilian life since 1944 following long overseas service, has joined the San Francisco branch of Massachusetts Bonding as superintendent of the casualty department.

Employers of Ala. Promotes 3

Employers Insurance of Alabama has made three promotions. Johnstone Coppock, home office representative, has been promoted to agency manager. J. D. Gurley has been promoted from safety engineer to assistant agency manager. C. C. Coughlin, safety engineer, became manager of the safety engineering department.

Mohr to La. General Agency

Parkerson & Farber of Lafayette, La., has appointed Chas. E. Mohr, underwriting manager of the auto and casualty department.

Mr. Mohr was previously manager at Indianapolis for Trinity Universal for six years. Prior to that time he was in the Ohio field, and still earlier was at the home office.

Heinfeld to Employers

The Employers group has appointed Curt H. G. Heinfeld, Jr., superintendent of the agency department. He succeeds Frank W. Boyle, who will work with the executive department as an executive assistant. Mr. Heinfeld has a broad and varied background of insurance experience.

Nelson Becomes VA Official

Hal Nelson, special agent for Maryland Casualty at Sacramento for the last year, has resigned to become an executive in the veterans administration. He entered the business with Maryland shortly after discharge from the navy.

Names Dayton, Albany Field Aids

Travelers has appointed as field assistant in casualty, fidelity and surety lines Cecil H. Groff at Dayton, and Thomas J. Pendergast has been appointed fidelity and surety field assistant at Albany.

Buck, Jr., Joins Father's Company

Raymond E. Buck, Jr., son of Raymond E. Buck, chairman of Commercial Standard, has become affiliated with the company as claims adjuster in the home office. He recently was honorably discharged from the army air forces after four years' active duty. He received a

commission as second lieutenant at Miami in 1943 and at the time of his discharge was a captain. He served with the air transport command in the Caribbean and Hawaii.

Wedemeyer Joins Walker & Co.

LOS ANGELES—Herbert C. Wedemeyer, casualty superintendent of Globe Indemnity here, has resigned to become associated with Walker & Co.

Myers Named by Guarantee

LOS ANGELES—Ernest H. Myers has been appointed special agent for the Guarantee and the Guarantee General Agency for southern California. Previously he was with North America. He served in the war as special service officer of the army ground forces replacement depot. For 10 years preceding the war he was with Marsh & McLennan in New York.

Industrial Indemnity Changes

Industrial Indemnity has made changes in its staff. Shelby E. Hodapp, manager Los Angeles office has been transferred to the home office at San Francisco to supervise public and agency relations. Walter Haluk, manager San Francisco division, succeeds Hodapp in Los Angeles. Charles Schiebel, production manager in Los Angeles, succeeds Haluk in San Francisco.

PERSONALS

James E. Rhodes, II, well known attorney with Travelers, celebrated his 40th anniversary with that organization. He is the author of "Workmen's Compensation," which is a standard work. He has served as a faculty member of Trinity College as an instructor of insurance subjects. He was graduated from Bowdoin College in 1897 and joined

Travelers as an adjuster. Before that he taught Greek and mathematics in high school, resigning to become a Congressional secretary in Washington. While in Washington he studied law and was admitted to the Maine bar in 1902.

M. E. Landy, for some time resident secretary of American Mutual Liability in Minneapolis, has resigned and is moving to California. A farewell party was given for him by the rating committee of the Minnesota Compensation Rating bureau.

DEATHS

Larned V. Eklund, 52, who for some time had been in charge of underwriting all bankers blanket bonds and all fidelity bonds for the western department of Hartford Accident at Chicago, died in St. Joseph's hospital, Joliet, after having fallen down steps in a hotel and fractured his skull. He did not regain consciousness.

Mr. Eklund was considered an authority on bankers blanket and fidelity bonds, and had addressed many insurance meetings. He had been with Hartford Accident for 12 years in Chicago.

He was born at Rock Island, Ill., Oct. 12, 1893, and was graduated from Augustana College and the law school of Northwestern University. From 1923 to 1925 he was connected with the National Surety at Chicago in claims work, and from 1925 to 1931 with Moore, Case, Lyman & Hubbard there in charge of the fidelity and surety underwriting.

He was in the second marine corps division in France in the other world war and saw much action in Chateau Thierry and Belleau Woods.

Mr. Eklund was a member of Sunrise Lodge No. 996 A. F. & A. M., and of American Legion. Services were held Friday in English Lutheran church, Park Ridge, Ill., where he lived with his wife.

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Claim Men Urged to Continue Work

(CONTINUED FROM PAGE 38)

ulation which prescribes standards for the issuance of non-scheduled carrier operating certificates and safety regulations governing the operation of non-scheduled air carriers. These regulations, which are more stringent than those previously imposed on non-scheduled flying, were to be effective Aug. 1, but the time has been extended until the administrator passes on any application for certificate which may be filed prior to Sept. 15.

Mr. Kelly said it is impossible to say exactly what is ahead but it seems reasonable to assume that the ultimate result of changed attitude of CAB will be a safety record for non-scheduled carrier flying comparable to that already achieved in scheduled flying. He expressed confidence that the insurance industry will take prompt heed of this improvement.

Committee Reports Given

At the Tuesday session several committee reports were given. Kenneth C. Berry reported as chairman of the transportation committee. The report of the press committee was made by William N. Hutchison. Prior to calling for the report of the war claims liaison committee, President Butterfield read excerpts from letters from the War and Navy Departments commending the work of the committee. In his report as chairman Godfrey Day recommended that the committee be discharged.

"Aviation and Insurance" was the subject of an interesting address by John Kelly, associate counsel, Mutual Life of New York.

F. B. Simms, chief life insurance claims division veterans administration,

stated that the termination of hostilities and the demobilization of at least 80% of the armed forces have had a marked effect upon the N.S.L.I. program of VA. The fact that following discharge premium payments become personal problems together with other factors, have caused a substantial reduction in the number of contracts and the amount of insurance remaining in force. However, both of these figures remain impressively high.

As of July the total amount of insurance in force was estimated at \$42½ billion, representing more than 6 million contracts. The speaker told of the manner in which lapsed policies could be reinstated and of the many new forms of policy contracts which could

He stated that VA is mindful of the splendid cooperation which it is receiving from the insurance companies. It proposes to reciprocate to the fullest be taken out.

The final address "Post-War Psychiatric Problems," was made by Dr. Foster Kennedy, president of the New York Neurological Society.

Rate Laws Need Not Be Uniform

(CONTINUED FROM PAGE 37)

tween the insurance company and producers, Mr. Stone said that freezing of rates can be an invitation to the government to step into the insurance business. He urged everyone to remember that rate regulatory laws should be considered in the public interest, which in the last analysis is the real test, so that there may be provided free and open competition, but without destructive competition resulting in inadequate rates and consequent insolvency of companies and harm to the public, and also protection of the present right of agents and brokers to bargain with their companies for a proper rate of commission. He said that, since uniformity is not required under public law 15, there is real cause for the application of "home rule" and no attempt should be made to force upon each state any particular method alleged to be the best.

Attorneys' Parley Record Crowd

(CONTINUED FROM PAGE 37)

Columbus, O., on "Recovery Over" elicited a good deal of discussion, which was led by Jos. H. Hinshaw of Chicago.

Clarence W. Heyl, Peoria, dealt with "Third Party Practice in Federal Court," with Wm. H. Freeman, Minneapolis, leading the discussion.

The section on aviation insurance law, treated elsewhere in this issue, was handled by Stanley C. Morris, Charleston, W. Va. Forrest A. Betts read a paper on "Trial of Aviation Accident Cases," discussed by George H. Orr, U. S. Aviation Underwriters, and Charles S. Rhyne, Washington, D. C., reviewed recent aviation decisions. John Randall, Cedar Rapids, discussed it.

L. J. Carey of Michigan Mutual Liability was unable to attend to give his paper on "Sleep as a Defense," a title that aroused curiosity. Willis Smith, Raleigh, N. C., president of the American Bar Assn., talked, instead. His topic was observations on present European conditions.

Harry W. Colmery of Topeka, president Pioneer National Life, who was to have given a talk, "The Need for a Public Conscience," did not attend and his paper was not given.

Declaratory Judgments

In his paper on declaratory judgments in liability cases, D. J. Kadyk, Chicago, said that 43 states, in addition to the federal courts, now authorize such actions. He explained that the purpose of such an action is to permit an insured

to clear up judicially questions of whether a policy covers the liability of the insured in a particular case, before the insurance company decides whether to settle or resist a claim.

While declaratory judgment actions have been entertained in almost any coverage question, Mr. Kadyk pointed out that the court has considerable discretion in permitting them and that it is well supported by decisions that they will not be entertained for advisory purposes, where there is not an actual controversy or where another suit between the same parties presenting the same question is pending before another court. He discussed a number of cases illustrating these points.

A troublesome question, to which Mr. Kadyk said he does not know the answer, is whether raising objections to coverage in a declaratory judgment action will be held a waiver of any other defenses under the policy. To be on the safe side, he advised attorneys to set up every known defense under the policy in such actions.

Third Party Practice

C. W. Heyl, Peoria, in his paper on third party practice in federal courts, reviewed rule 14 of the federal rules of practice, pointing out that it is a distinct innovation in federal law and equity practice, although well known in admiralty. The principal litigation under this rule has been on the section permitting bringing in of third party defendants, on the theory that they were or might be liable to the original plaintiff. The purpose, Mr. Heyl said, is to permit all claims arising out of the same transaction or occurrence to be heard and determined in the same action. He pointed out that granting of this motion is at the discretion of the court and that permission to bring in a third party is not mandatory.

AVIATION DECISIONS

C. A. Rhyne, Washington, reviewed the latest decisions on aviation exclusion riders in insurance policies, including those also having war service restrictions. He pointed out that the present trend of the courts is to stretch these contracts in favor of the insured on every possible count.

The most recent decision, which well illustrates this trend, is King vs. Order of United Commercial Travelers of America, decided by a lower federal court last May. The beneficiary of the insured was awarded an accidental death benefit, despite an exclusion of accident "resulting from participation, as a passenger or otherwise, in aviation or aeronautics" except as a fare-paying passenger on a regularly scheduled line. In this case the insured, a lieutenant in the civil air patrol, was compelled to make a forced landing on the water in a land plane, which sank four minutes after the landing. The insured drowned after floating in the water in a life jacket for more than two hours. Mr. Rhyne said that this carries out the precedent established in Bull vs. Sun Life, which created a sensation in 1945, in which death of a naval aviator by Japanese gunfire while attempting to launch a life raft from a disabled airplane was held covered by an insurance contract, despite an aircraft exclusion.

R. L. Clapper Case

Mr. Rhyne also discussed the U. S. court of appeals decision of last July, in which the widow of Raymond L. Clapper, well known newspaper correspondent, was awarded a verdict against Aetna Life on an accidental death clause which stated it did not apply "if the death of the insured occurs . . . from an aeronautic flight." The court here held for the beneficiary on the ground that the clause was so ambiguous as to compel a decision in her favor. Mr. Rhyne pointed out that originally these aviation exclusion riders received more favorable treatment from the courts than they do now.

On the question of uniform legislation and limits of liability, Mr. Rhyne

said that in July a petition for review in the case of Garcia vs. Pan-American Airways was filed with the U. S. Supreme Court. The New York court of appeals last April upheld a decision of lower courts to the effect that the Warsaw convention limit applied in this case. The passenger was killed while the airplane was attempting to land at Lisbon. He had a round trip ticket from New York to Lisbon, going by way of Bermuda and returning via Natal. The contention of the plaintiff was that the Warsaw limit did not apply to this accident, since it occurred in Portugal, which is not a signatory to the Warsaw convention. There are also constitutional questions involved in this case, since the appellants are contending that the liability limits of the convention violate the due process clause of the federal constitution.

Casualty Executives Aid Penn. Traffic Crusade

A program to encourage greater street and highway safety has been prepared for Pennsylvania Newspaper Publishers Assn. by National Conservation Bureau and information and publication division of the Assn. of Casualty & Surety Executives.

Publishers Give Space

The program will be the principal element in a campaign to reduce traffic accidents, which the press of Pennsylvania will wage from Sept. 15 through Dec. 31. The member publishers have pledged \$500,000 in space to the cause.

National Conservation Bureau is furnishing the accident prevention material and information while the preparation of copy and public relations plans is being handled by the information and publication division.

Babbitt Slated to Head Casualty Underwriters

R. M. Babbitt of Joyce & Co., Chicago, now vice-president of the Casualty Underwriters Association of that city is slated for election as president at the annual meeting Sept. 19. The slate prepared by the nominating committee recommends Louis Ollmert, Aetna Casualty, for vice-president; R. M. Hollenbeck, Bartholomay & Clarkson agency, treasurer, and H. L. Bredberg, National Service & Appraisal, for reelection as secretary, a post he has held for a number of years.

Directors proposed are Robert J. Kubat, Standard Accident; William Grinton, Hartford Accident; L. W. Burger, Ohio Casualty, and Clyde Winkler, Yorkshire Indemnity.

This will be a luncheon meeting starting at 11:30 a. m. in Klein's restaurant.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Super-Program for Wisconsin Agents

MILWAUKEE—With the membership at the highest point in its history and other activities on an accelerated basis, the Wisconsin Association of Insurance Agents is making extensive plans for its annual meeting here Oct. 10-11. The membership is now above 580 and is expected to reach 600 by the time of the meeting.

Among the speakers will be Richard A. Thompson, Minneapolis, N. A. I. A. executive committee member; Edward C. Stone, U. S. general manager Employers Liability, who will discuss "Public Law 15"; James C. O'Connor, editor F. C. & S. Bulletins and associate editor THE NATIONAL UNDERWRITER, on "The Insurance Agent and the Future"; Carleton I. Fisher, Rhode Island state national director, on "We, the Agents"; and Vernon Scott, Chicago, vice-president National Tax Equality Association, on "Subsidized Competition." The proposed new Wisconsin agent's license and qualification bill will be presented and discussed to guide the committee in drawing a final draft for presentation to the 1947 legislature.

The executive committee will meet Wednesday afternoon, Oct. 9. That evening there will be a dinner to which all local board officers in the state are invited for a round table discussion of problems and suggestions for more efficient local board operations and programs.

Company managers and field men will be hosts to the agents and their wives at a cocktail party Thursday evening, preceding the dinner and floor show. There will be no speakers that evening.

In addition to the dinner dance, other features are being arranged for the ladies who come to Milwaukee with their husbands. Mrs. Hilda Rogers, Royal Indemnity, is chairman of the ladies' committee, in cooperation with the Insurance Women of Milwaukee, who will be in charge of this feature.

"Ray Day" Is Revived

W. P. Ray & Co., general agents at Indianapolis, are reviving "Ray Day" which was an annual event before the war. Announcement in the form of a subpoena has been received by agents of the Ray agency throughout Indiana summoning them to appear at the Indianapolis Country Club, Sept. 12, to "testify on behalf of his golf game, in a cause wherein the agents and company executives are guests of W. P. Ray & Co., and this you will not omit under the penalties prescribed by law."

New K. C., Kan., Executive Committee Members

New members of the executive committee of the Kansas City (Kan.) Association of Insurance Agents are Cheney Prouty, Sam Reynolds, John Lillig and Cliff Tozier. New officers will be elected at the next meeting.

Split Anderson-Coombs Agency

The Anderson-Coombs agency at Wichita is splitting into two separate agencies. Dorth Coombs, a past president of the Wichita Association of Insurance Agents, is opening a new office while Clint C. Anderson is retaining the present office.

Browne New Association Head

The Kansas City, Kan., Association of Insurance Agents has named Evan

H. Browne, Jr., as president succeeding John P. Lily. Browne is a former secretary of the Kansas association. Russell Benton, Merriam, Ellis & Benton, was named vice-president, and C. H. Lind, Tinklepaugh & Lind, secretary-treasurer.

Announce Program for Kansas Agents

The Kansas Assn. of Insurance Agents annual convention will be held at Wichita Oct. 2-4. The program as announced, includes:

Wednesday, Oct. 2: Registration at Lasser hotel; golf at Wichita country club at 12:30 p. m.; stag buffet supper and entertainment at 6:30 p. m.; past presidents' dinner, 8:30 p. m.

Thursday, Oct. 3: Registration 9 a. m. to 6 p. m.; rural agents' breakfast, 7:30 a. m.; call to order by Raymond L. Budge, president, 9 a. m.; accident prevention forum, 10 a. m.; address on education by Frank C. Colridge, secretary of N.A.I.A., 11 a. m.; executive session for association members, 11:30 a. m.

Insurance women's luncheon, noon. "Tax Equality," by Lee Brown, 2 p. m.; "How to Make a Nickel" (forum), Erwin Keller, 2:30 p. m.; "Association Affairs, National and State," James Van Vechten, Akron, O. Convention banquet and ball (informal), presentation Roscoe Case Memorial award, presentation Frank T. Priest cup, address, Jeff Williams, Chickasha, Okla.

Friday, Oct. 4: "The Local Agent's Responsibility for a Fire Prevention Program in His Home Town," Charles Schoonover, 9:30 a. m.; "Federal vs. State Regulation," E. C. Stone, general manager Employers group, 10 a. m.; business session, election of officers, report of convention committees.

Plan to Begin Reeducating Farmers to Fire Hazards

LANSING, MICH.—A campaign to educate farmers relative to the need for increasing their insurance coverage is reported shaping in the state among agents of stock and mutual carriers. Relatively few rural residents have made any change in their coverage since the war despite the great increase in property values. A summer marked by few electrical storms has had a tendency to make the farmers forget the fire dangers, agents say. Less attention has been paid to adequate insurance than would normally be the case. An exceptionally dry summer also has retarded to minimize spontaneous combustion losses.

Replacement of the average farm building at this time, even if materials could be readily obtained, would involve expenditures from two to three times the average insured value. Contents values also have greatly increased, including all such items as equipment, tools, tractors, and livestock feeds.

Wayne University Courses

Fire and marine insurance will be given by H. Thompson Stock, Wednesday, 7-9 p. m. starting Sept. 18 at Wayne University. The course covers study of standard fire policy, forms, endorsements and rates, inland marine insurance, types of insurance carriers and the organization of the insurance business.

Casualty insurance and fidelity and surety bonds will be given by Harold Reinhold, Fridays 7-9 p. m. starting Sept. 20. The course covers contracts written by casualty and surety companies. This course and that of Mr. Stock prepare students for state examinations and C.P.C.U. part I examination.

Insurance Law I will be given by Mr. Reinhold Mondays 7-9 p. m., starting Sept. 16. This course covers business law. It will be followed in February by

insurance law II which will cover insurance law other than life. Texts used are those recommended by C.P.C.U. examination IV.

Each course lasts 16 weeks. Registration started Sept. 9. Cost of tuition per course is \$12.50. Those who satisfactorily pass and have entered as degree students will get two hours credit per course toward A.B. degree.

Mutual Club Hears Middaugh

The Mutual Insurance Club of Columbus met Monday with Frank R. Middaugh of the Ohio Inspection Bureau as speaker. He discussed business interruption insurance and recent changes in household goods and dwelling forms.

Simplify Rural Fire Calls

Because the Oakland, Neb., community is made up of Scandinavians with a profusion of Johnsons, Nelsons, Petersons, etc., a simplified system for determining location of farm fires has been set up. The rural fire patrol and volunteer fire department have assigned numbers to every farm in the rural fire district to eliminate delay in answering fire calls.

Groups Start Meeting Again

MINNEAPOLIS — Following the summer layoff, insurance organizations in the Twin Cities this week started their fall activities Monday, the Insurance Agents Association of Minneapolis held its annual meeting and Wednesday the local fire agents board of St. Paul met in annual session.

To Show Navy's Fire Film

MINNEAPOLIS—Through cooperation of the Minneapolis fire department's fire prevention bureau, the navy film, "Chemistry of Fire" is to be shown this month at two regional groups of agents, the evening of Sept. 13 at a meeting of the Range Association of Insurance Underwriters at the Buhl, Minn., high school, and Sept. 19 at a meeting of the Southwestern Minnesota Regional Agents Association at Worthington.

Dohner Heads Agents Group

The Darke County (Ohio) Assn. of Insurance Agents has elected A. J. Dohner of Arcanum as president; V. F. Littman, Greenville, vice-president, and V. S. Cassel, Greenville, secretary.

B. E. Moreau, Chicago manager of St. Paul F. & M., has returned from a three weeks fishing expedition in Wyoming. For a time he was ridding the Big Laramie river of trout and then he went on to demonstrate his prowess from a dude ranch near Encampment.

NEWS BRIEFS

The Pontiac (Mich.) Assn. of Insurance Agents is holding its annual golf outing at Tom O'Shanter Golf Club Sept. 17. Carleton Patterson heads the committee.

The insurance department of the First Trust Co. of Lincoln, Neb., and other departments have moved to a new office in the Trust Building, Lincoln.

Harry B. Brown, Wichita, Northwestern National state agent, has been named Kansas district chairman of the National Fire Waste Council succeeding Ivan Hemphill of Hussey & Hussey, Topeka, president Kansas State Fire Prevention Association.

The W. Lyman Case & Co. real estate agency at Columbus has embarked in the insurance business by taking over the agency of George E. Ruine, who some time ago purchased the Roberts-Legg agency. Mr. Ruine will manage the insurance department of the Case company, assisted by W. Lyman Case, Jr.

New fire limits have been established at Atlantic, Ia., by the city council, extending the limit in which only fireproof construction will be permitted. Permits

must be obtained for erecting, remodeling or moving buildings within the fire limit.

Raymond Brito of Purdy, Mo., local agent for America Fore group for 25 years, has been presented with a plaque in recognition of his long service, by H. L. Krause of Kansas City, state agent.

EAST

Opens Baltimore Claim Office

J. Walter Hamilton has opened his own claim adjustment office in Baltimore.

Since being released from naval duty with rank of lieutenant in November, 1945, Mr. Hamilton has been in charge of the Jefferson Adjustment Bureau in Baltimore.

He started in insurance adjusting more than two decades ago. In 1925 he was named manager for claims in the Baltimore and Washington, D. C. territories for Ocean. He took a post in the home office claims department of Maryland Casualty, later joining Emmco as Washington manager. He was with Nichols in Baltimore prior to entering service.

Mr. Hamilton, whose new quarters are located at 210 East Redwood street, was assigned to intelligence during his duty in the navy.

New Jersey Club Resumes

NEWARK—The Insurance Square Club of New Jersey met in Newark Monday. Plans were outlined for the coming season.

Essex County Agents' Outing

NEWARK—A meeting and a golf outing Sept. 19 at Crestmont Golf Club, West Orange, N. J., will open the Essex County Insurance Agents Association season. In the evening there will be a dinner, followed by a business meeting at which plans will be announced. R. J. Crocker is program chairman.

William H. Coolidge has become a broker for John C. Paige & Co., Boston general agency. During the war, Mr. Coolidge was a commander in the navy. He was previously associated with the George Putnam Fund of Boston.

Harrisburg Insurance Women—First dinner of the season was held with a combined business and social program. There will be a membership drive in October. The ways and means committee is planning a rummage sale for December. Mrs. Margaret H. Suder of U. S. F. & G. conducted the meeting. The next meeting will be Oct. 3.

CANADIAN

Spittal Victoria President

A. M. T. Spittal has been elected president of the Victoria (B. C.) District Agents Association. Vice-president is T. H. Woolison.

Concern Over License Increases

TORONTO—In the fiscal licensing period just drawing to a close, the number of fire and casualty insurance agents licensed in Ontario has just about reached the 6,500 mark, the Ontario department states. This represents an increase of about 1,200 over a year ago.

Some company officials express deep concern that the market is being flooded with agents. "Even when we had just 5,000 of them floating around I was definitely of the opinion we had too many; with 6,500 of them the situation is becoming ridiculous," one official said.

Some officials are inclined to put the blame on the companies rather than on the insurance department. "If a man can prove necessary qualification when applying for a license, then he cannot be refused a license," it was stated.

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PACIFIC COAST AND MOUNTAIN

Cal. Regionals Are Being Conducted

LOS ANGELES — The Insurance Assn. of Los Angeles was host at the fifth of a series of regional dinner meetings being held throughout the state by officers of the California assn. President Ira Wheeler of Santa Monica; Vice-president C. Putnam of Oakland, and Executive Secretary Ev Hayden of the state association and Donald R. Luckham, assistant chief of the legal and compliance division of the insurance department were guests.

President Wheeler touched on the legislative program with especial reference to state enactments complying with public law 15. Some companies want minimum regulation of the business, he said, and named four California and foreign companies. He urged that a key man be named in each district to tell legislators what legislation the business actually needs. Commissions, the opportunity for new insurance on F.H. A. construction and the bank-agent auto finance plan were taken up.

California Now Leader

Vice-president Putnam expressed the views of state association directors on the matter of cooperation from the National Automobile Club and touched on reduction of credits on collision insurance. The California association now is the largest in the National association with 1,714 members, he said. Four new local associations have been formed this year.

Mr. Luckham talked on the importance to insurance business of the U. S. Supreme Court decisions in the S.E.U.A. and the Robertson cases, saying that

both left regulation of insurance with the states.

Regional meetings were held this week also in Pasadena, Glendale, Long Beach, Santa Monica, Santa Ana and San Bernardino, and will be held next week in San Diego and Santa Barbara. The speaking program at each was the same as in Los Angeles.

Certificate of Convenience Criticized in Cal.

LOS ANGELES—Tightening of the California licensing laws to eliminate the "one case" agent or solicitor is a problem that probably will come before the 1947 legislature. Much lobbying on this is anticipated.

A prominent life man who is known for his sound thinking on agency matters asks this week if the certificate of convenience for life agents is fulfilling its purpose, or whether it has not failed to protect the public and the career agent against the "one-case" and unfit. This question is being quietly considered by some of the leading life men in Los Angeles and the state association, he said. Many are in favor of asking the legislature to amend the licensing law and do away with this certificate.

Many Fail to Appear

They point out a large percentage of men who are granted the short-term certificate never take the regular life examination for license. It is felt that most, if not all, of these men, become licensed to write only one, or, at best, a few cases. It is pointed out by observers that many, if not all of the states which have qualifying life examinations, forbid the would-be agent from writing any business whatever until he is fully licensed. If such a system will

work in Ohio and Pennsylvania, it is argued, why not in California?

The critics agree that the certificate of convenience was devised for a laudable purpose and has been administered by the insurance department as well as possible. Every effort is made to screen out the one-case agents.

It is conceded the certificate has pretty well stamped out the one-case agent who comes into the business to write a relative, because companies are forbidden to pay commission on controlled business to an agent operating under a certificate.

Even a full licensure rule may not necessarily bar the one-case agent from the business, but it will make it more difficult for him to set up in his temporary business, and he will have to come up for a commissioner's examination before he can write his single case.

Garrison Warns of Two Bad Practices

LOS ANGELES—Coincident with mailing licenses to agents, brokers and solicitors, Commissioner Garrison has issued bulletins 57 and 58 dealing with compelling automobile purchasers to obtain insurance through automobile dealers and transfer of insurance where property to be covered is already insured. There have been a number of complaints recently that auto dealers have been refusing to sell cars to purchasers unless they agree to take insurance through the dealer or an agent or broker chosen by him. This is coercive and contrary to federal law, Garrison stated, and future complaints will be referred to the proper federal agency. The department will take disciplinary action under the insurance code.

He also noted complaints have been received that where property already covered by insurance is transferred, some insurance producers are forcing short-rate cancellation of existing insurance and the taking of new policies. There have been many complaints about this practice in connection with real estate transactions. The department frowns on the practice, the only exception being where the party who by the terms of the escrow, contract of sale, or other document evidencing the transfer would suffer the loss caused by the short-rate cancellation is fully informed of the fact that the existing insurance can be transferred, that a cancellation will be short rate; knows the exact amount of difference between short rate and pro-rate cancellations, and still desires cancellation and issuance of new insurance.

General Schedules and Rate Table Revised in Ore.

Completely revised general schedules have been issued by Manager C. F. Wagner of the Oregon Insurance Rating Bureau and the arrangement of the table of rates revised to show risk group symbols rather than actual rates. Basic rates corresponding to such risk groups are shown for the various books under a separate table of basic rates. Numerical portion of the symbols used gives the book 4 (unprotected risk) rates in cents. It is therefore necessary under the new arrangement to refer to the table of basic rates for books 2 and 3 rates.

This method of publication reduces the size of the general schedules book. Primary purpose of the revision was to eliminate a large number of obsolete cross-references and clarify and simplify the application of the general schedules which are used in tariff rating of risks not specifically rated by the bureau. Among the changes in rates which result are reductions in charges for boilers used for processing only.

A new clause has been provided for policies written at the special course-of-construction rates, and those rates are specifically exempted from the reduced multiple term rule. Reductions in any rates resulting from the revisions announced are applicable only to policies

taking effect July 1, 1946, and after, except at short rate.

Cal. Agents Doing Away with Executive Session

The California Assn. of Insurance Agents will eliminate the long established executive session for members only at its annual convention in San Francisco Oct. 28-29 with a pre-convention meeting of directors Oct. 27. The principal cause for holding the old executive sessions—where agents were encouraged to vent complaints and gripes at companies and anyone else in an effort to bring about harmony or some solution—no longer is necessary because of closer cooperation between the interests. Members arriving in San Francisco Sunday will be invited to attend the directors meeting to acquaint them with the activities and methods of conducting the affairs.

Among the speakers and subjects already assured are: S. L. Carpenter, Jr., general manager Pacific Board, greetings; H. J. Toso, vice-president Newhouse & Sayre, unusual coverages placed with London Lloyds; H. H. Hendren, past president. A San Francisco bank executive may speak on the bank and agent auto plan. California's new unemployment disability compensation plan will be another topic, and there will be a quiz session conducted by H. I. Callis, Santa Barbara.

The past presidents' dinner will be Monday night and the annual banquet and installation of officers, Tuesday.

J. R. Thomas Re-elected as Pierce County President

TACOMA—The annual meeting of the Pierce County Assn. of Insurance Agents re-elected Joseph R. Thomas of Z. A. Vane & Co. president. Ken Persing was elected vice-president and Wayne Miller of Alva Roberts & Co., re-elected secretary. Irwin Mesher, executive secretary of the state association, outlined activities which are mapped for 1946-47.

Following the business session, there was a social hour. Alva Roberts introduced the newly-elected officers at the banquet. Principal speaker was F. W. Norgard of Yakima, newly-elected president of the Washington Assn. of Insurance Agents. He was presented by Harold N. Mann, past president of the state association.

Two Fliers Again in Training

John M. Ashton, son of Mrs. Bruce M. Ashton, Connecticut General Life's successful producer at Salinas, Calif., who recently was released from active duty in the navy where he was a flyer pilot, and Edward C. Keeley, former marine flyer, are attending the training course conducted by Hartford Fire and Hartford Accident at the home office. They plan to establish a general insurance brokerage firm under the name of Ashton & Keeley in San Francisco on completing the course in October.

To Confer at Pasadena

Home office and company branch office officials of the U. S. F. & G. and Fidelity & Guaranty Fire from the 12 western states will hold a two-day conference at Hotel Huntington, Pasadena, Sept. 30-Oct. 1.

Many Washingtonians to Denver

SEATTLE—Washington will have the largest delegation it has ever sent to a national convention at N.A.I.A. meeting in Denver, including F. W. Norgard, Yakima, president of the state association; V. R. Lee, Chehalis, state national director; Harold N. Mann, Tacoma, chairman of the N.A.I.A. fire prevention committee; William Gasser, Seattle, president of the King County Insurance Assn.; Irwin Mesher, executive secretary Washington association; J. R. Thomas, president Pierce County Assn.; R. C. Jenner, Chester D. Forshee, R. W.

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Hotel Aldridge	Wewah
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Hotel Wade Hampton	Columbia
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Hotel Stephen F. Austin	Galveston
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Hotel Edson	Beaumont
Hotel Brownwood	Beaumont
Hotel Cortez	El Paso
Hotel Texas Fort Worth	Fort Worth
Hotel Buchanan	Galveston
Hotel Galvez	Galveston
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Markson, Byron B. Hillen, Walter R. Patterson, J. R. Storm, Wayne C. Meek, P. Cunningham, all of Seattle; Harry Paxton, Walla Walla, and A. J. Peters, Issaquah.

Salem, Ore., Agents Elect

The Salem (Ore.) Association of Insurance Agents has elected Lee Haslam, president; Homer Smith, Jr., vice-president, and C. M. Byrd, secretary.

Large Portland Fire Loss

One of the largest downtown fires ever to occur in Portland, Ore., gutted the three upper stories of the Gilbert Brothers furniture store and caused loss estimated at \$175,000 to \$200,000. The origin was in a pile of mattresses on the fourth floor of the six-story structure. Building loss was estimated \$40,000, with \$90,000 insurance, and stock loss \$150,000, with some salvage possible.

Swanson Adjuster for Home

LOS ANGELES—Carl Swanson has been added to the adjusting staff of Home here. Previously he was associated with the adjusting staff of Continental at Milwaukee.

Solicitor's License Suspended

Harry G. Hughes, insurance solicitor, of Altadena, Calif., had his license suspended for 10 days by the Insurance department for violation of the insurance code provision relating to controlled business.

Roston L. A. Assn. Director

LOS ANGELES—Rees Roston of the Rees Roston Co. has been elected a director of the Insurance Association of Los Angeles succeeding Kenneth Belknap of Belknap & Belknap, resigned.

Accounting Course Starts

The Fire Underwriters Assn. of the Pacific announced that the course in insurance accounting and business practices it is establishing will be conducted by the Insurance Accountants Assn. of San Francisco. The new course started Sept. 12 and will be held Thursday afternoons until Dec. 19.

Hearing Postponed to Sept. 25

Because several members of the all-industry committee will be in San Francisco to attend the meeting of the commissioners from zone 6 Sept. 23-24, the California legislative interim committee which is studying proposed new legislation postponed its scheduled public hearing from Sept. 10 to Sept. 25. This will permit the all-industry committee members to attend.

Post 404 Officers Installed

SAN FRANCISCO—The annual installation of officers of Insurance Post 404, American Legion, again was made an outstanding success by the "antics" of Sig C. Arndt, Finn, Smith & Medcraft and Earle Wright, independent adjuster, who wrote, produced and acted in a hilarious skit called "The Raising of a Sinner." Both are talented performers of comedy skits and have delighted many insurance gatherings in San Francisco for years.

F. C. A. B. Opens Santa Ana Office

F. C. A. B. has opened a service office at Santa Ana, Cal., located in the Broadway building. J. C. Miller of the Los Angeles office has been appointed adjuster in charge, assisted by R. L. Baker. Mr. Miller has been associated with F. C. A. B. since 1943 and five years prior to that time with the Jefferson Adjustment Bureau, managing their southern California operations. He has extended experience in all lines of claim work. The new office will service the towns and adjacent territory of Santa Ana, Fullerton, Anaheim, Brea, La Habra, Los Alamitos.

New Farm Form on Coast

The new farm form that has been introduced on the Pacific Coast takes the place of seven or eight different forms that have been in vogue in seven or eight different states. The new form is not for use in California, however.

The new instrument embodies ideas of various elements of the business.

S. F. Offices Closed Monday

All insurance offices—and most all other business places in San Francisco—were closed Sept. 9 in honor of California's Admission Day—the day when the state joined the union.

Hearings Soon on Wash. Code

Public hearings on the proposed new state of Washington code will be held in October and November, Commissioner Sullivan announced. An important purpose of the code is to protect the state's right to continue supervision of the insurance business, Sullivan said. Complete renovation of the insurance laws was ordered by the 1945 legislature.

The B. F. Graybill agency, Kelso, Wash., has been sold to Russell Loudon. A new local agency has been established at Olympia, Wash., by M. S. Bosell, war veteran, formerly of Chehalis, who has attended the Travelers training school.

The Dever & Dever agency, South Bend, Wash., has been sold to R. E. Woodward and Malcolm Edwards.

California department has suspended licenses for 10 days of W. H. Leimert Co., Los Angeles; J. P. Arsenio, San Luis Obispo; L. D. Dodge, Los Angeles, and Katherine E. Mead, Los Angeles, for violation of the controlled business provision in the insurance code.

SOUTH

Ala. Annual Meeting Under Way

BIRMINGHAM—John O'C. Jackson of Mobile, in his presidential address at the meeting of the Alabama Assn. of Insurance Agents here, referred to the future financing program of the National Assn. of Insurance Agents.



John O'C. Jackson

"How we can pay more into the National association with our membership close to saturation and most likely be called upon for more support at home if we are to continue to climb upward, is a question that will have to be resolved sooner or later" he said.

Mr. Jackson expressed the belief that the Alabama organization is confronted with several conditions and factors that do not beset other state associations and that these circumstances have not been adequately analyzed in relation to the present movement.

The president urged the members to support to the utmost, the group insurance program that is now in effect. He said it should aid in attracting new members. Those who have not taken the insurance should do so at once, he declared. He spoke of the changes brought about by the recent election and expressed the hope that adequate funds will be appropriated for the insurance department so that it may become more effective. Also more funds and more efficient administration are desired in the bureau of rates and the fire marshal's office.

Although expressing the hope that a financial responsibility law will be enacted in Alabama, he said that insurance men, as a body or as individuals cannot initiate such legislation or sponsor it because of danger of misunder-

standing of motives. However, insurance men should give their support to such legislation.

He called upon the members to support a proper agency qualification law.

He pointed out that at this convention the association sets up a board of directors elected by the members in 16 different districts. It will take some time to make the proper adjustment to this system, he said, especially since no well defined constitutional duties have been assigned to the board. Eventually the system should work out well. It is a step toward a more representative form of association.

J. R. Berry Is D. C. Speaker

J. Raymond Berry, general counsel of the National Board, is addressing a luncheon meeting of the Insurance Club of Washington, Sept. 16 on "Legislative Outlook for 1947 for the Fire Insurance Business."

The Insurance Women of Wichita resumed activities Wednesday with a fried chicken outing at Camp Bide-A-Wee.

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on human frailties, all so-called restrictive rules should be abolished."

He said that some objectors go so far as to suggest that maybe there is involved some element of conspiracy, monopoly, boycott, coercion, or intimidation.

"The strange part of this anti-organization campaign, which in effect is to restrain the free right of free men to conduct their business in the way and manner which they believe to be to their best advantage and in the public interest, is that it runs counter to practically everything the courts of the country, including the supreme court of Texas, have said about free enterprise and business competition," Mr. Bennett declared.

The position of the advocates of this new ideology appears to be that the southeastern case overruled Paul vs. Virginia and all subsequent similar opinions of the Supreme Court, he said, merely because it dumped insurance into

the channels of commerce.

Therefore, state statutes and the decisions of state courts and outstanding cooperative agreements were all swept into the discard and most everything about insurance, so far as its legal aspect is concerned, had to be started all over from scratch. Consequently, it is claimed, a new body of law must now be built up for the conduct of the business. This strange "sophism," Mr. Bennett said, continued until the Supreme Court in June, 1946, upset the wild reverberations of the new philosophers and declared they were illogically pursuing a phantom of speculation.

Earlier in his address the speaker mentioned the alarming frequency of unemployment compensation claims today, stating that in Detroit where auto manufacturers have been appealing in newspapers and in other ways for more workers, where a labor shortage is held to be the one major road-block to all-out production in motor vehicles, fully

113,000 persons claimed unemployment compensation.

"Pending before the federal Congress when it adjourned recently, was a bill which will undoubtedly be brought back at the opening of the next Congress, designed to spread vastly the so-called social security benefits of a paternalistic government," Mr. Bennett said.

"If we are inclined to the belief that the federal government in this country of ours should be engaged primarily in government and not in business, then we need to consider what advantage there may be to our people in launching an enormous government business enterprise into the arena in which now the important private insurance business is functioning admirably and protectively. "Life, accident and casualty insurance is designed to protect, and does protect, all of our citizens who desire to be protected from the same uncertainties in which the federal government will engage, if the broadened social security

legislation becomes operative. I think of only one element of so-called social security that is not now adequately covered by private enterprise. That one item is unemployment. We are today witnessing a prostitution of this idea by thousands of men refusing to accept employment because they can receive unemployment insurance from the government, state and national."

Chattanooga Starts Fire Drive

CHATTANOOGA—The chamber of commerce committee on protection of life and property has launched its annual Fire Prevention Week campaign with a challenge to all civic organizations to cooperate in plans to reduce Chattanooga's per capita fire loss of \$3.15 to something near the national figure of less than \$2. Each civic group will have its own fire prevention committee.

Walter Greenspan, local fire agent, chairman of the general committee and will direct the drive.

Dallas C. P. C. U. Classes Start

Thirty-five young fire and casualty insurance men of Dallas answered the first roll call for starting educational work preparatory for examinations for the C. P. C. U. designation, sponsored by the Dallas Insurance Agents Assn. and supervised by Willard Crotty, Hal A. Gullidge, and Price McCulley. Four classes will start in a few days under the leadership of K. M. Hough, Kenneth Murchison agency; C. M. Hunt, local agent; Andrew Russell of National Surety, and Alfred Benjamin, Indemnity of North America. An advanced class will be directed by President Alphonso Ragland, Jr., of the Dallas Assn.

Women's Federation to Meet

Plans for the annual meeting of the Federation of Tennessee Insurance Women at the Andrew Jackson hotel in Nashville, Oct. 19-20, were announced by Miss Reba Land, federation president. There will be a meeting of the board Oct. 18. With local organizations at Knoxville, Chattanooga, and Nashville, Miss Land and other officials, including Miss Marguerite Murphy, Nashville, general convention chairman, extend an invitation to all insurance women in the state to attend.

Check Dubuque Fire Hazards

DUBUQUE, IA.—Perry Kirch, fire chief of Dubuque reported a large number of fire hazards will have to be eliminated to meet the demands of the state fire code following an inspection by the state fire marshal's office following the Hotel Canfield fire here recently which took 19 lives. A systematic check was made of more than 30 downtown buildings. Where alterations or new installations are required the marshal's office notified owners of work required and that it must be completed within 60 days.

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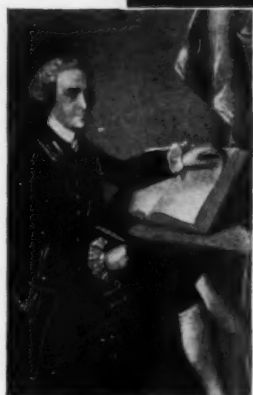
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The Dorothy Q House

QUINCY, MASSACHUSETTS lays claim to a great share of famous American homes, and amongst these are the many mansions that housed a long line of Quincy and Adams families. Probably the most interesting and colorful of all those occupied by the numerous Quincy groups is the one bearing the familiar name of "Dorothy Q."

About 1635, the ancestor of all the Dorothy Q's, Edmund Quincy together with William Coddington, was granted a large tract of land on which the latter immediately built a farmhouse. Upon Coddington's death, Edmund bought this house, and with his wealth and retinue of servants it became a house of great pretentiousness. Soon after her husband's death, Judith Quincy married Moses Paine and she and her family took possession.

In 1705, Edmund Quincy III, who had fallen heir to the estate, built a new house around the old farmhouse. Because of the Coddington portion, which makes it one of the oldest houses in New England, and because of its secret chambers and underground passages and its historic associations, it is one of America's least



John Hancock

known but most unique homes of Colonial times.

Of the four "Dorothy Q's" who were either born in the house or came there as brides, more romance is connected with Dorothy the second, and Dorothy the third than with either of the others. The former of these was ably described by Oliver Wendell Holmes in his famous poem entitled "Dorothy Q."

The third Dorothy married John Hancock who had fallen heir to a great fortune in 1764. Hancock, who was a bitter enemy of England, was elected president of the first Provincial Congress in 1774. His great wealth and political astuteness made him invaluable to the American cause and he was elected president of the Continental Congress where he served until 1779. He is often referred to as the signer of the Declaration of Independence whose conspicuous signa-

ture "could be read without spectacles."

His marriage to Dorothy was a very romantic affair. A few days before the wedding was scheduled to take place in the Quincy house, which had been completely refurnished for the occasion, the Revolution broke out and the future husband was forced to flee to Lexington, where he was later joined by Dorothy and Madam Quincy, his aunt. A lovers' quarrel broke out because Hancock would not permit Dorothy to return to Boston. In the midst of this quarrel, the trio was forced to flee again, and Dorothy went to Fairfield, Conn. There she met Aaron Burr who became such an ardent suitor that Madam Quincy became alarmed and sent word to her nephew. In spite of Hancock's protestations of undying love, Dorothy continued her flirtation with Burr. And it was not until a second and more alarming plea reached him from his aunt that Hancock hurried to Fairfield where he and Dorothy Q were finally married on August 28, 1775.

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